

P. O. Box 959  
Farmington, New Mexico 87401

March 22, 1968

Kingwood Oil Company  
100 Park Avenue Bldg.  
Oklahoma City, Oklahoma

Re: Oil and gas lease  
N. M. 0764

Gentlemen:

On March 4, 1968 this office approved an intention to repair your well No. 1 Knauff "B", located in the NE $\frac{1}{4}$  sec. 31, T. 28 N., R. 10 W., San Juan County, New Mexico. This approval was granted based on the fact that you would also get approval from the N.M.O.C.C. for the method in which you intended to repair the well. Mr. Arnold with the N.M.O.C.C. called yesterday and said that he does not approve the way you repaired the well; that is, by setting a packer on tubing below the casing leak. It will be necessary for you to seal off the casing leak either by squeezing it, filling the annulus between the tubing and casing with Ken-Pak, running another string of pipe inside the 5 $\frac{1}{2}$ -inch casing and cementing it to the surface or any other method you may devise that will meet with the approval of the N.M.O.C.C.

Sincerely yours,

(Orig. Sgd.) P. T. McGrath

P. T. McGrath  
District Engineer

