

WALSH

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting Lease Management Contract Pumping 3001 Northridge Drive P.O. Drawer 419 Farmington, New Mexico 87401 (505) 327-4892

March 1, 1988

RECEIVED

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Mr. Ron Fellows, Area Manager Bureau of Land Management 1235 La Plata Highway Farmington, New Mexico 87401

BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA

REF: Walsh Engineering & Production Corporation
Mesa Twin Mounds 77, No. 1
NW/4 Section 30-T30N-R14W
San Juan County, New Mexico
Lease No. NM-27024

Dear Mr. Fellows:

This is a request for approval of shut in of the above-referred-to well on a long term basis.

The reasons for this request are as follows:

- 1. The tubing and rods are parted, therefore, the well is not in pumping condition.
- 2. The well cannot be repaired at this time due to:
 - A. The well is involved in the filing of Bankruptcy by Lobo Production.
 - B. There is no clear documentation as to ownership of working interest by investors in the well.
- 3. It is now apparent that the situation concerning ownership of working interest by investors will not be resolved in the near future.

Thank you for your consideration and if you have any questions, please do not hesitate to call upon me.

Very truly yours,

Ewell N. Walsh, P.E.

President

THIS APPROVAL EXPIRES 3/3/89

ENW:rr

cc: Dick Ledbetter, President First National Bank Robert L. Finch, Trustee Frank Chavez, NMOCD, Aztec, N.M.

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for all