

July 31, 1995  
Rand Carroll  
New Mexico Oil Conservation  
2040 s Pacheco  
Sante Fe NM 87505

RE : Lobo Production Co Hearing

Dear Rand;

I have enclosed the remaining paper work for the hearing.

1. Plugging procedure.
2. Well schematic.
3. A map.
4. Picture of well.
5. A copy of well files (sent earlier).
6. A copy of letter sent by bond holder. I called Kathryn Stokes about mix up of two wells and she said she would contact Diane Richardson.

BEFORE EXAMINER STOGNER	
OIL CONSERVATION DIVISION	
OCD	EXHIBIT NO. 2
CASE NO.	11379

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**LOBO PRODUCTION**  
**Bonded State Wells**

<b>Gulf State 36 #1</b>	<b>A-36-23N-06W</b>	<b>30-043-20660</b>	<b>Fidelity Deposit \$7500</b>
<b>Hynes Kennedy 7 #1</b>	<b>O-07-29N-14W</b>	<b>30-045-25599</b>	<b>Fidelity Deposit \$7500</b>
<b>Mesa Kirtland 11 #1</b>	<b>C-11-29N-15W</b>	<b>30-045-25440</b>	<b>Fidelity Deposit \$7500</b>
<b>Hatch #1</b>	<b>C-14-29N-15W</b>	<b>30-045-24985</b>	<b>Fidelity Deposit \$10,000</b>

**State Well No Bond**

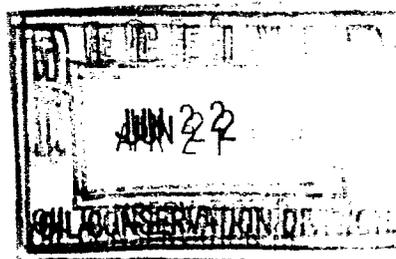
<b>Libra #1</b>	<b>C-16-32N-13W</b>	<b>30-045-25852</b>
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**Remaining wells are federal**

<b>Gulf Fed 24 #1</b>	<b>D-24-23N-06W</b>	<b>30-043-20672</b>	<b>Fidelity Deposit</b>
<del><b>Scarecrow #1</b></del>	<del><b>P-04-24N-08W</b></del>	<del><b>30-045-25208</b></del>	<del><b>?</b></del>

*Sold to Morrison et al*

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June 16, 1995

Rand Carroll  
General Counsel  
New Mexico Oil Conservation  
2040 S Pacheco  
Santa Fe NM 874505

RE: Lobo Production

Dear Rand:

Here are the well files for Lobo Production, please docket a case for hearing as we have had no response from Robert Finch who is the assigned trustee of the lease.

List:

Gulf State 36 #1	A-36-32N-13W 30-043-20660	Fidelity Deposit Bond \$7500
Hynes Kennedy 7 #1	<del>O-07-29N-14W</del> 30-045-25599	Fidelity Deposit Bond \$7500
Mesa Kirtland 11 #1	<del>C-11-29N15W</del> 30-045-25440	Fidelity Deposit Bond \$7500
Hatch #1	<del>C-14-29N-15W</del> 30-045-24985	Fidelity Deposit Bond \$10,000
Libra #1	C-16-32N-13W 30-045-25852	State well no bond
Gulf Fed.24 #1	D-24-23N-06W 30-043-20672	Federal Well S.I.
Scarecrow #1	P-04-24N-08W 30-045-25208	Federal well S.I.

Sincerely,

Johnny Robinson  
Deputy Oil & Gas Inspector

cc: Fidelity & Deposit Co, Robert Finch P A, Thomas Dailey P C, well files



Commitment, Stability & Vision  
Since 1890

Fidelity and Deposit Company of Maryland  
Colonial American Casualty and Surety Company  
Western Regional Claim Office  
Skyline Tower, Suite 1200  
10900 N.E. 4th Street  
Bellevue, WA 98004

May 15, 1995

Mr. John Cunningham  
P.O. Box 51  
Farmington, NM 87499

RE: Claim Numbers : 602 358-4 Gulf Fed  
602 359-2 Mesa Kirkland  
602 360-0 Hatch #1  
602 361-8 Hynes Kennedy  
Principal : Lobo Production Company

Dear Mr. Cunningham:

Fidelity and Deposit Company of Maryland is interested in having you prepare an estimate of the cost to plug the following wells:

- Should be - Gulf #1 30-043-20660 A-36-23N-06W*
- wrong well -* Gulf Fed 24#1, #30-043020672, D-24-23N-06W, 920N/795W
- Mesa 11#1, #30-045-25540, C-11-29N-15W, 1190N/1850W
- Hatch #1, #30-045-24985, C-14-29N-15W, 660N/1980W
- Hynes 7#1, #30-045-25599, O-07-29N-14W, 800S/1885E

As indicated above, this is a request for an estimate only. Please forward your estimate to my attention at the address referenced herein.

I appreciate your assistance in this matter and look forward to hearing from you in the near future.

Sincerely,

Kathryn M. Stokes  
Claims Attorney

KMS:kak



STATE OF NEW MEXICO  
 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
 OIL CONSERVATION DIVISION  
 AZTEC DISTRICT OFFICE



GARY E. JOHNSON  
 GOVERNOR

JENNIFER A. SALISBURY  
 CABINET SECRETARY

1000 RIO BRAZOS ROAD  
 AZTEC, NEW MEXICO 87410  
 (505) 334-6178 FAX: (505) 334-6170

April 17, 1995

Certified: P 987 892 135

Thomas Dailey P C  
 Attorney for  
 First National Bank of Farmington  
 PO Box 2700  
 Farmington NM 87499

Robert Finch P A  
 Court Appointed Trustee  
 Lobo Prod  
 210 N Auburn Ave  
 Farmington NM 87401

Fidelity & Deposit Co of Maryland  
 PO Box 1227  
 Baltimore MD 21203

RE: Plugging or Temporary Abandonment of Non-producing Wells

Dear Mr. Dailey:

The referenced wells below are in violation of rule #201 and rule #203.

- Gulf Fed <sup>State</sup> 24 #1, #30-043-20672, D-24-23N-06W, 920N/795W - Sandoval
- Gulf Fed 36 #1, #30-043-20660, A-36-23N-06W, 850N/800E - Sandoval
- ~~Scarecrow #1, #30-045-25208, P-04-24N-08W, 760S/900E - Old to Merriam~~
- Hynes Kennedy 7 #1, #30-045-25599, O-07-29N-14W, 800S/1885E - San Juan
- Mesa Kirtland 11 #1, #30-045-25540, C-11-29N-15W, 1190N/1850W - San Juan
- Hatch #1, #30-045-24985, C-14-29N-15W, 660N/1980/W - San Juan
- Libra #1, #30-045-25852, C-16-32N-13W, 810N/1800W - San Juan

You are hereby directed to plug and abandon these wells, return them to production or TA under rule #203 within 30 days.

If you fail to bring the wells into compliance, we will schedule a show cause hearing as to why the listed wells should not be plugged and abandoned.

Sincerely,

Johnny Robinson  
 Deputy Oil & Gas Inspector

cc: Rand Carroll, well files, Robert Finch P A, Fidelity & Deposit Co