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ALBUQUERQUE SERVICE OFFICE

ALBUQUERQUE, NEW MEXICO

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207 DARTMOUTH DR. N. E.

FEBRUARY 10, 1960

MR. OLIVER E. PAYNE
SPECIAL ASSISTANT ATTORNEY GENERAL
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
P. O. Box 871
SANTA FE, NEW MEXICO

RE: FILE NUMBER 30-900800
ASSURED - WILLARD CACY
BOND NUMBER - 329016

DEAR MR. PAYNE:

SINCE RECEIVING YOUR LETTER OF JANUARY 4, 1960, WE WISH TO ADVISE THE FOLLOWING DEVELOPMENTS IN THIS MATTER. WE HAVE NOW BEEN SUCCESSFUL IN CONTACTING MR. CACY IN TEXAS AND FROM HIM SECURED INFORMATION THAT HE HAD A PARTNER, ONE JANE CLACK, IN THE DRILLING OF THIS WELL. HE FURTHER STATES THAT AS A FINANCIAL SETTLEMENT OVER SOME NOTES WITH MRS. CLACK, HE TURNED OVER HIS INTEREST AND MINERAL RIGHTS IN THE WELL TO MRS. CLACK SOME TWO YEARS AGO. HE FURTHER STATES THAT MRS. CLACK IS REPRESENTED BY ATTORNEY JOHN SIMS OF ALBUQUERQUE, FORMER GOVERNOR OF NEW MEXICO. MR. CACY ADVISES THAT IT IS THE DUTY OF MRS. CLACK TO PLUG THIS WELL IF SHE SO DESIRES IN THAT HE NO LONGER HAS ANY CONTROL OVER THE WELL. IT WAS POINTED OUT TO HIM THAT REGARDLESS OF THE ARRANGEMENTS MADE WITH MRS. CLACK, THE BOND EXTENDED BY US TO THE STATE OF NEW MEXICO IN HIS FAVOR WAS IN HIS NAME. THEREFORE, WE WOULD LOOK TO HIM FOR ANY NECESSARY ARRANGEMENTS TO BE MADE WITH YOUR OFFICE.

ALSO, WE CONTACTED MR. SIMS AND WERE ADVISED BY MR. SIMS THAT MR. AL UTTON, AN ATTORNEY IN HIS OFFICE, WAS HANDLING THIS MATTER. MR. SIMS FURTHER ADVISED US THAT MR. UTTON HAD CORRESPONDED WITH YOUR DEPARTMENT REGARDING THE MATTER. MR. SIMS STATED THAT HIS CLIENT, MRS. CLACK, HAD NOT YET DECIDED WHAT COURSE OF ACTION TO TAKE REGARDING THE WELL, WHETHER TO PROCEED FURTHER WITH IT OR TO PLUG IT. HOWEVER, MR. SIMS

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ASSURED ME THAT A DECISION WOULD BE MADE AND CLEARED WITH YOUR OFFICE BEFORE THE DEADLINE OF MAY 15TH WHICH YOU SET. HE STATED THAT MRS. CLACK ADVISED HIM THAT THE WELL WAS NOW UNDER SOME FIVE FEET OF SNOW AND THAT IT WOULD PROBABLY BE MARCH 15TH AT THE EARLIEST BEFORE THE WELL SITE COULD BE VISITED AND A FINAL DECISION MADE. I AM SURE THAT BY THIS TIME YOU HAVE HEARD FROM MR. SIMS' OFFICE REGARDING THIS MATTER. WE SHALL KEEP IN CONTACT WITH MR. SIMS AND KEEP YOU ADVISED OF DEVELOPMENTS. MEANWHILE IF YOU SHOULD HEAR ANYTHING FURTHER FROM MR. SIMS AND SHOULD RECEIVE ANY INFORMATION WHICH HAS BEARING ON THIS MATTER PLEASE ADVISE US. THANK YOU.

VERY TRULY YOURS,



R. A. TEARNAN

ALBUQUERQUE CLAIMS DEPARTMENT

MH

CC: MR. WILLARD L. CACY
C/O E. G. BARRETT
R. F. D. # 2
ATASCASA, TEXAS

CC: CLINTON P. ANDERSON AGENCY
ATT: MR. McCAFFREY

CC: MR. JOHN SIMS
ATTORNEY AT LAW
SUNSHINE BUILDING
ALBUQUERQUE, NEW MEXICO

CC: MOUNTAIN STATES DIVISION
CLAIMS
ATT: BILL SCHALOW