

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

September 7, 1978

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-2434

JERRY APODACA GOVERNOR NICK FRANKLIN SECRETARY

> General Casualty Company of America c/o General Insurance Company of America Safeco Plaza Seattle, Washington 98105

> > Re: \$5,000 One-Well Bonds Nos. 333575 and 333613, Oil Exploration, Inc., Principal, General Casualty Company of America, Surety Order No. R-4986

Gentlemen:

Your company is the surety for these indemnification bonds under which the Irwin Well No. 1 and Irwin "A" Well No. 1 were drilled. These wells were ordered to be plugged on or before June 15, 1975, by your principal according to the terms of Order No. R-4986, enclosed. Copies of the bonds in question are also enclosed.

These wells were never plugged, although they were "capped" by the landowner in a manner we feel to be entirely inadequate, and have been unable to locate your principal. Therefore, I am considering hiring a contractor to perform the necessary work, and would then seek reimbursement from your company up to the limits of your bonds. You do, of course, have the option to plug these wells yourselves. If you wish to do so, please contact our district supervisor, Mr. Carl Ulvog, at 505-827-2533.

I look forward to hearing from you at your earliest convenience.

Very truly yours,

LYNN TESCHENDORF General Counsel

LT/dr

cc: Carl Ulvog