



TONY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

50 YEARS



1935 - 1985

November 18, 1985

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Mr. Bobby E. Gilliam
P.O. Box 1146
Colorado Springs, CO 80901-1146

Re: Kaiser Steel Well No. 3
G-12-29N-21E
Eustace Well No. 1
J-36-32N-19E
Colfax County, NM

Dear Mr. Gilliam:

This letter is to acknowledge that we are in receipt of your memo dated November 6th. After reviewing the data, the following plugging program is the minimum that the Oil Conservation Division will accept:

Plug #1	3400' - 3620'	Morrison & Dakota Formations
Plug #2	300' - 400'	In and out of casing shoe
Plug #3	0 - 25'	With regulation dry hole marker

We will also need the appropriate sundry notices (Form C-103) and completion forms (C-105) as required by our rules and regulations. This office will also require a 48-hour notice prior to commencing the work in order that an OCD representative can witness the plugging of this well.

Due to the fact that the Eustace Well No. 1 has had no remedial work done on it in the last six months, it is imperative that you apply for Temporary Abandonment status according to Rule 1103 b (3) on Page M-3 of our Rule Book. Likewise, we will also request a copy of all logs that were run on this well according to our Rule 1105.

Enclosed you will also find copies of Sundry Notices of wells in the San Juan Basin that were completed in a coal horizon. Hopefully completion techniques of this nature can be extrapolated to the Raton Basin.