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MAIN OFFICE OCC

TIMMONS CARBONIC COMPANY

DENVER, COLORADO

August 28, 1954.

Mr. Eugene A Chavez
Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico.

Dear Mr. Chavez:

Please excuse the delay in answering your letters, but have been waiting to know just what the score might be on a lot of things. In your letter of July 30th, the subject was the #1 Tixier concerning the cancelling of the bond on that particular well. I will give you my ideas on just what the situation might be, and would appreciate your consideration on just what we should do or try to do.

This well was abandoned on account of lack of funds to go on down to a deeper depth, which the driller at that time was determined to do, with or without my consent, as he was so sure that he would find some oil at somewhere around twelve hundred feet. He was the man who drilled the Kerlin well, and he seemed so sure that I really did have confidence in him, only I simply could not keep on putting in money. We went through the CO2 gas, which was close to ~~nine~~ hundred feet, and at 987 feet, he run into rock which seemed to be terribly hard, and we finally quit there. Casing was run, and cemented at that depth, and to my knowledge, the hole is still clear and open at that depth, and several times, we have had different ones make a big fuss that the water in that hole was hurting the gas field. We finally run a rig over it several years ago, Clyde Neill, and had some one from the Oil Conservation Commission there on hand, and there was no water in it, and I have hoped to keep the well just as it is until I could arrange financially to either deepen it, or plug it back to the CO2 gas, which I am sure is there. Recent developments have made me more sure than ever that I should do one of those things, either deepen a few hundred feet and see if there is any show of oil, or go back up to the gas and have it shot, for after all, we still need the gas. At this time, I would like to have your opinion, and under the circumstances, I would like to feel that I could go ahead and pay the bond, and keep it open for a while yet for apparently, there is going to be more drilling in there at an early date.

I am enclosing reports for April, May, June and July, and we are still not doing anything with the new well that Powers and Marshall drilled, and for several reasons

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First of all, we are not sure that the well has enough volumn, altho gh the pressure seems to stand at 650 pounds. Also, there is an odor in it which I am wondering about. It is not so apparent now, and it could be that by using it for awhile, that it would completely clear up. To do that, we had ~~xxxxxxx~~ to have the plant in running condition. To date, it is ready to go, only for one large item, and that is that the ammonia compressor seems to have run its last, and right now, I am trying to get one in. We need the ice desperately here in Denver, and have a few more outlets that would take it, but we are stymied for the time being. I have finally located a good used compressor in Chicago, which they say would be as good as new, and they are perfectly reliable, so right now, I am trying to get enough together to buy it, and if that is done, it would be a matter of only a few weeks until the plant could be running again.

Thanks you for your telling me about Mr. Gruemmer and his attempting to buy out Iceco. I wonder what he has been able to do about it. I still think Iceco would be going if Libby would give them half a chance. Perhaps I am wrong. It seems that anyone trying to do anything in this Dry Ice business is either busted or doesn't know how to do it, for we have all tried honestly to do a lot with it. I know my entire life since 1935 is wrapped up in it, and believe it or not, I still have enough Faith to keep on trying.

As for further drilling anticipated by Powers and Marshall, I understand that they intend going backin for an oil test, but they want us to give them most of our leases, and until this well we now have is producing, I am handicapped in doing more.

In your last letter, you asked about the hole that Mr. Perry Smith had drilled in the southern part of section 34. That is on the Powers Marshall lease which I gave them, and I called Mr. Smith to get his version of it, and he said that the log would be available to you at any time, and that he was doing that to verify samples at the other recent well. Apparently he was not satisfied with samples given him. I do think that he intends doing some drilling himself in there somewhere, and he wanted me to tell you that anything they did would certainly be submitted to your office in the way of any findings pertinent to the whole field. I hope you will excuse this long letter, and I hope that you can see my viewpoint on the Tixier well, for right now, that hole could be valuable for one or the other. With best personal regards, and hope to be seeing you soon, I am
Sincerely yours,
Raymond Timmons