

Certified Mail.

Eastern Sandia Production Company
418 West Broadway
Farmington, New Mexico 87401
Attn: Richard G. Boren

Re: Horton Well No. 2
A-32-11N-7E
Santa Fe, County, New Mexico

Dear Mr Boren,

This letter is to acknowledge that we are in receipt of your request to convert the above referenced well into a water well to be used by the landowner. This agency will grant your request to water well conversion when the following criteria has been met according to

1.) ~~A complete set of~~
our rules and regulations:

- 1.) A complete set of electric logs must be submitted to this office
- 2.) Form C-105 must be completely filled out (enclosed)
- 3.) Water well conversion Form completely filled out (enclosed)
- 4.) Cement plugs will be placed in certain open hole sections and in and out of the 8 5/8" casing shoe.

A plugging program will be designed for you by this office upon receipt of your electric logs. This office will require a 24 hour notice before plugging operations begin as O.C.D. personnel will

witness the plugging of the open hole section
of the well.

This office anticipated that this work will
begin within thirty days. Should you have
any questions pertaining to this matter
please contact me @ this office.

Sincerely
Ray Eplem

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

AFFIDAVIT OF RESPONSIBILITY
CONVERSION TO WATER-WELL

STATE OF New Mexico) ss.
County of San Juan)

Richard Boren, being first duly sworn according to law, upon his oath deposes and says:

1. That he is President of Eastern Sandia Production Co.
(Title) (Operator)
whose address is 418 West Broadway, Farmington, New Mexico 87401.

2. That Eastern Sandia is the operator of a well drilled on land be-
(Operator)
longing to Tom C. Horton, whose address is _____
(Landowner)

_____, said well being drilled to test for hydrocarbons and/or carbon dioxide gas and described as the Horton #2 No. 2, being located 400 feet from the North line and 660 feet from the East line of Section 32, Township 11N, Range 7E, NMPM, Sante FE County, New Mexico.

3. That said well was drilled to a total depth of 2,497 feet, and that casing has been set and cemented as follows:

8 5/8ths" casing was set to a depth of 834 feet and cemented in place.

4. That operator and landowner have made an agreement whereby operator (is) (is not) to back fill pits, level location, and clear it of all junk. The agreement further provides that operator is to plug said well back to a plugged-back total depth of _____ feet and transfer well to landowner for his use as a water-well. Operator will leave casing in the well as follows:

5. That when operator has complied with the provisions of Paragraph 4 above it will so notify the Oil Conservation Division of the State of New Mexico on Division Form C-103, together with a signed statement from the landowner that the provisions of Paragraph 4 above have been complied with to his satisfaction,

Eastern Sandia Poroduction Co.

(Operator)

By *R. Boren*

Subscribed and sworn to before me this 8th day of October, A. D. 19 85.

Franklin A. Anderson
Notary Public in and for the County of S.J.

Commission expires 4-26-87

STATE OF New Mexico) ss.
County of Sante FE)

Tom C. Horton, being first duly sworn according to law, upon his oath deposes and says that when the provisions of Paragraphs 4 and 5 above have been complied with, he will accept the above-described well for his use as a water-well, and that he will assume all responsibility for the well, the location, and the conversion of the well to a water-well.

T.C. Horton
(Landowner)

Subscribed and sworn to before me this 10th day of October, A. D. 19 85.

Franklin A. Anderson
Notary Public in and for the County of S.J.

Commission expires 4-26-87

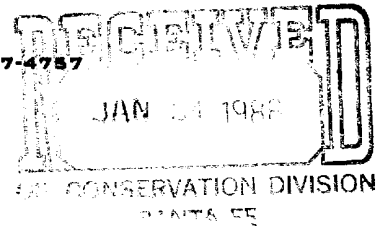
RICHARD G. BOREN

Attorney at Law

418 WEST BROADWAY • CAPITAL BLDG. • PHONE: 505/327-4757

FARMINGTON, NEW MEXICO 87401

January 22, 1986



Roy E. Johnson
Senior Petroleum Geologist
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Horton Well No. 2
Unit A, Section 32,
T-11N, R-7E, Santa Fe
County, New Mexico

Dear Mr. Johnson:

This will acknowledge receipt of your letter dated January 10, 1986, in reference to plugging of Horton Well No. 2.

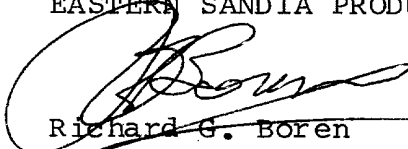
I was surprised to receive your letter since, as you know, the Horton No. 2 well is on private property, and I had been informed that Mr. Horton was desirous of keeping said well as a water well and that he had made the necessary arrangements with your division.

I will attempt to contact Mr. Horton and determine what the current status is. In the meantime, I would appreciate your delaying any further action in reference to force plugging, since if Mr. Horton does not desire said well as a water well, we will take the necessary steps to plug it as required.

I appreciate your consideration in this matter and will attempt to get back in touch with you within a reasonable period of time. Thank you again for your cooperation and consideration.

Sincerely,

EASTERN SANDIA PRODUCTION CO.


Richard G. Boren
Attorney at Law

ae

cc Jeff Taylor, General Counsel

OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-78

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER	7. Unit Agreement Name
2. Name of Operator Eastern Sandia Production Company	8. Farm or Lease Name HORTON
3. Address of Operator 418 West Broadway, Farmington, New Mexico 87401	9. Well No. #2
4. Location of Well UNIT LETTER <u>A</u> <u>400</u> FEET FROM THE <u>NORTH</u> LINE AND <u>660</u> FEET FROM THE <u>EAST</u> LINE, SECTION <u>32</u> TOWNSHIP <u>11N</u> RANGE <u>7E</u> NMPM.	10. Field and Pool, or Wildcat
15. Elevation (Show whether DF, RT, GR, etc.) 6705.0 Grd. Level	12. County Santa Fe

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER <input type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Well was temporarily abandoned 6/27/84. Temporary abandonment expired on 6/27/85. The landowner desires conversion to a water well and it is therefore proposed that said well be permanently abandoned as an oil and gas exploratory well and be transferred to the landowner for conversion to a water well.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED [Signature] TITLE President DATE 9-12-85

APPROVED BY _____ TITLE _____ DATE _____