

January 27, 1950

Mr. F. B. Umbarger
711½ West Iron
Albuquerque, New Mexico

Dear Mr. Umbarger:

I am enclosing approved copy of your C-102, pertaining to the cementing of your Umbarger-State #1 well at Palma.

In checking our files pertaining to your operations, it appears that there are several things which should be taken care of at the earliest possible date. Some of these matters you will remember we discussed on the recent visit to your Palma well and I will list these specifically:

1. The location of your Umbarger-State #1, Section 3-SH-14E, is very much confused. Your C-101 shows this well to be 330 ft. west of the east line and 330 ft. north of the south line of Section 3, above mentioned township. Your Cardinal-State #1 well, Section 3-SH-14E, is located, according to the registered surveyor's plat submitted by you, 1720 ft. east of the west line and 765 ft. north of the south line. This puts this well in the SE of the SW. This location is correct on the bond and the C-101. As I recall, your Umbarger-State #1 well is located some 300 yards SE of your Cardinal-State #1. According to your C-101 on this well, that is located slightly south of east and over one-half mile east. Therefore this location as I see it, could not possibly be correct. We have another location, reported by the U.S.G.S. which places your Umbarger-State 1760 ft. east of the west line and 660 ft. north of the south line, Section 3, the above mentioned township. This places this location approximately 115 ft. SE of your Cardinal-State #1. I feel certain, and I think that you will agree, that these wells are farther apart than this description. It is important that we have the proper location on a registered surveyor's plat submitted to us, so that we can properly locate this well and correct your C-101 and the location on your bond. Otherwise, you will have no bond covering your present location, which, as you know, cannot be done under our rules and regulations. I am enclosing a plat, indicating how we interpret these locations, which may be of some assistance to you in getting the matter straightened out.

2. A C-103 reporting the results of your recent cementing of 4-inch