

LIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

September 18, 1951

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Mr. Joseph R. Milmo
P. O. Box 151
14538 Friar Street
Van Nuys, California

Re: Sunol Oil #1
Sec. 32-7N-1E

Dear Sir:

This is in reply to your letter of August 7, pertaining to the above captioned well.

I will answer the questions in your letter paragraph by paragraph.

The word "not" was a typographical error in my letter to you of August 6. I meant to say we have received the C-101. As a matter of fact we have received everything necessary for this well to begin operations, except the plugging bond in the amount of \$5,000.

In answer to your paragraph two. It is not necessary for the Commission as a whole to meet and approve Intentions to Drill, surveyors plat, bonds, etc. This is done according to the rules and regulations by the Oil and Gas Inspector for the area in which the well is to be drilled, and the Director of the Commission. In the case of this well, the Notice of Intention to Drill, the surveyors plat, and Sunol's request for an unorthodox location have been received and are ready for approval but we cannot approve them until we have at hand a satisfactory \$5,000 one-well plugging bond. I believe this paragraph will also answer your paragraph 3, regarding the amount of the plugging bond.

At this writing I may as well give you the benefit of my latest inspection of this location, which was September 11, 1951. The rig drill pipe, etc., is still set up at the location just as it was when they were shut down and I would say that from visual inspection, operations could get underway in a very short time.

Very truly yours,

ELVIS A. UTZ,