

## SANDERS OIL & GAS COMPANY

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May 10, 1993

Energy, Minerals and Natural Resources Department Oil Conservation Division District II Drawer DD Artesia, NM 88210

Reference: Cannon et al #1-Y (Wildcat Abo)

John P. Cannon et al, Lessor

Section 27, Township 10 South, Range 25 East

Chaves County, N.M.

## Gentlemen:

In response to your earlier requests regarding our disposition of the subject well and lease.

This lease has, by it's own 5 year limit shut in term, terminated. The nearest pipeline connection is the Enron high pressure main transmission line across the Pecos River about 4+ miles to the west. The expenditure of constructing a line, installing a compressor could not be justified in light of the low natural gas prices.

We respectfully request that your office advise us as to the appropriate procedures to follow in plugging and abandoning the subject well.

If you have any questions, please contact us.

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Respectfully,

C. W. Sanders

Owner