NEW MEXICO

OIL CONSERVATION COMMISSION

GOVERNOR THOMAS J. MABRY CHAIRMAN LAND COMMISSIONER GUY SHEPARD MEMBER STATE GEOLOGIST R. R. SPURRIER SECRETARY AND DIRECTOR



P. O. BOX 871 SANTA FE, NEW MEXICO

April 27, 1950

Mr. Roy Yarbrough Oil Conservation Commission P. O. Box 1545 Hobbs, New Mexico

Dear Roy:

I have your letter of April 21, relating to the Fisher Hill No. 1, NENNSW, section 8-15S-25E, Chaves County. I have spent considerable time going over this file in detail. We have also spent more time discussing the matter with John Bliss, State Engineer. A Mr. Henry Hughes, who is attorney for Mathieson's estate, also has a considerable file on the matter and is very concerned that Mrs. Mathieson might be sued by the bonding company.

The widow, Mrs. Mathieson, is certainly an innocent person in this case, and although complete liason has never been obtained with the State Engineer's office where wells in artesian basins are concerned, any lack of agreement between the two departments only results in confusion, inconvenience, and, in many cases, unfavorable treatment of the operator or bond holder.

While this well has not been plugged according to our regulations, it is nevertheless a satisfactory plugging to the Conservancy District. The Conservancy District has plugged many wells in the artesian basin, left by people trying to find oil or gas. Since no oil or gas was encountered in this well and since the well is already plugged, and since any further action in the matter will only provide inconvenience, I respectfully suggest that the plugging be approved and the liability of the bond terminated.

I have also discussed the matter with Mr. Graham and he indicates to me that he feels no opinion is necessary.

We are returning the two Forms C-103 for your consideration.

Very truly yours Joursier

R. R. Spurrier Secretary-Director

RRS:bw encls.