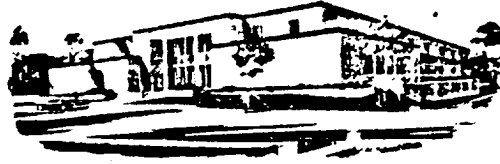


State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

February 4, 1986

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

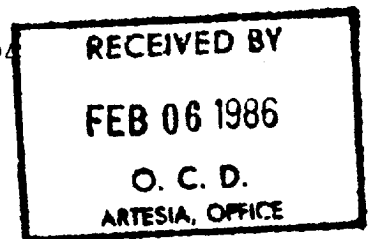
Express Mail Delivery Use:
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Atlantic Richfield Company
P. O. Box 600
Dallas, Texas 75221

Re: State of New Mexico Oil and Gas Lease No. B-8318-94
(SE $\frac{1}{4}$ NW $\frac{1}{4}$, Section 36, T-17S, R-27E)

Attn: Land Department

Gentlemen:



It has come to our attention by our Field Bureau that there is an old equipment storage yard full of old rusty equipment plus several old cable tool rigs stored outside the fence. Our fieldman found a location sign inside the fence enclosure which identified the lease as Acrey State #1, location 2310' FNL and 2310' FWL in the above Section, Township and Range.

According to the enclosed (C-110) Blue Sky Production was the operator of the well.

Because this well ceased to produce, it will be necessary for you or your agent to clean the debris and remove all the equipment therefrom, and perhaps plug the well as required by the Oil Conservation Division rules and regulations.


Very truly yours,

Jim Baca
Commissioner of Public Lands

JB:FOP:cw
Enclosure

cc: Oil Conservation Division
Santa Fe, New Mexico

Audit Bureau
Pat O'Hearn


By: Floyd O. Prado, Director
Oil and Gas Division
A/C 505-827-5744

