

P. O. Box 871

December 13, 1941

Mr. C. W. Hammond  
P. O. Box 282  
Artesia, New Mexico

Re: T. B. Hammond Et Al - State Well No. 1 -  
(C SWSESW) 15-17-28 - Red Lake Field

Dear Mr. Hammond:

The well noted in the caption is still not covered by a proper plugging bond, which matter should have your immediate attention. Heretofore, on October 28th the writer called this matter to your attention to which you responded on October 31st to the effect that the well in question was covered by the bond of the Red Lake Oil Company. On November 3rd you were notified that insofar as the well file record is concerned, the Red Lake Oil Company has no connection with the well in question so as to place the responsibility of the well in question under the blanket bond of said Red Lake Oil Company and that in order to so place this well under the blanket bond of said company it would be necessary for that company to advise the Oil Conservation Commission in writing that said company does accept plugging responsibility of this particular well under its blanket bond on file with the Commission. That written consent has not been forthcoming.

It is suggested that you contact immediately the Red Lake Oil Company, if the Red Lake Oil Company is to supply acceptance of plugging responsibility under its bond--which acceptance may be by letter referring to the particular well; however, if the Red Lake Oil Company is not going to accept plugging responsibility of said well, then T. B. Hammond et al, in whose name the Notice of Intention to Drill is signed, must supply the plugging bond which is written in the sum of \$5000 with corporate surety for one well on Form 39-B1.

The well in question is one the Proration Schedule and you should not jeopardize the well's status on the Proration Schedule so please give this matter your speedy attention.

CBL:MS  
cc Roy Yarbrough  
Glenn Staley  
V. S. Welch  
T. B. Hammond et al  
Red Lake Oil Co.

Very truly yours,

*Carl B. Livingston*  
Carl B. Livingston  
Chief Clerk & Legal Advisor