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E. H. WELLS STATE GEOLOGIST

## STATE LAND OFFICE

OFFICE OF STATE GEOLOGIST SANTA FE. NEW MEXICO April 11, 1934

Mr. J. D. Hunter State Oil & Gas Inspector Carlsbad, New Mexico

Dear Mr. Hunter:

Enclosed is a copy of a letter from Mr. Charles M. Daley, Supt., Fidelity & Surety Department, United States Fidelity and Guaranty Company.

I discussed this situation this morning with Mr. Thomas McClure, State Engineer. He advised me that the well is in bad condition. Artesian water is said to be flowing between the 10-inch and the 8-inch casing and quite a crater has been made at the well by this flow. Mr. McClure thinks the well may be lost entirely if not taken care of.

According to form SG-108 "Well Record" for this well, it "is good for 7 barrel pumper." I presume that it is now of no value as an oil well and probably never was.

Mr. McClure states that his department would be satisfied if the artesian flow could be properly confined between the casings and if proper provision was made to put this flow under control.

The bond which we now have is far from ideal, it contains the following statement: "This bond may be cancelled by the surety by giving 30 days notice to the State of New Mexico."

I wish you would give this situation some further investigation and thought and supply me with a report at your early convenience including your recommendations.

Very truly yours,

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State Geologist.

EHW:F

Enc.