

COPY

February 10th, 1936

Mr. Lee Vandagriff,
Artesia, New Mexico.

Dear Sir:

This letter is in regard to the Kaiser No. 1 well in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Sec. 7, T. 18 S., R. 27 E. Eddy County.

I am advised by Mr. F. J. Vesely, State Oil and Gas Inspector, Carlsbad, New Mexico that you have taken over this property and that it is now a Commercial producer. Mr. Vesely reports that during the month of December, 1935, the well produced a total of 85 barrels.

According to the laws of New Mexico and the rules and regulations of the Oil Conservation Commission, all drilling and producing wells in the state should be covered by bonds assuring proper plugging when the wells are finally abandoned.

Under separate cover, we are mailing you a copy of our Circular No. 1, "General Rules and Regulations for the Conservation of Oil and Gas in New Mexico". Your attention is called particularly to Rule 39 pertaining to bonds.

At the present time a bond of W. A. Scott as principal and the United States Fidelity and Guaranty Company as surety in the amount of \$1500.00 is in effect for this well. In view of the change in ownership, the United States Fidelity and Guaranty Company feel that they should be released from the bond obligations and their stand in this matter is well taken.

Will you kindly supply us with a bond for this well? It should be a Surety Company Bond in the amount of \$1500.00. A form for your use in this connection is enclosed.

Very truly yours,
OIL CONSERVATION COMMISSION

COPY

February 10th, 1933

Mr. J. H. Anderson,
Santa Fe, New Mexico.

Dear Sir:

This letter is in regard to the Kaiser Co. I well in
the State of New Mexico, Santa Fe County.

I am advised by Mr. J. H. Anderson, State Oil and Gas
Inspector, Santa Fe, New Mexico that you have taken over
this property and that it is now a commercial producer.
Mr. Anderson reports that during the month of December,
1932, the well produced a total of 33 barrels.

According to the laws of New Mexico and the rules and
regulations of the Oil Conservation Commission, all drill-
ing and production wells in the state should be covered by
a bond assuring proper reworking when the wells are finally
abandoned.

Under separate cover, we are mailing you a copy of our
Form No. 1, General Rules and Regulations for the
conservation of oil and gas in New Mexico. Your atten-
tion is called particularly to the 33 barrels to be

at the present time a bond of \$1,500.00 is required as principal
and the United States Fidelity and Guaranty Company as
surety in the amount of \$1,500.00 is in effect for this
well. In view of the change in ownership, the United
States Fidelity and Guaranty Company feel that they should
be released from the bond obligations and their stand in
this matter is well taken.

It is suggested that you apply with a bond for this well
it should be a surety company bond in the amount of \$1,500.00.
A form for your use in this connection is enclosed.

Very truly yours,
Oil Conservation Commission