HONDO DRILLING COMPANY POST OFFICE BOATTS 2516 MIDLAND, TEXAS 79701

August 1, 1974

PHONE: (915) 682-9401

RECEIVED

AUG 2 1974

O. C. C. Artebia, Uffice

Mr. Ray Graham, Oil & Gas Supervisor, Commissioner of Public Lands, P.O. Box 1148 Eanta Fe, New Mexico 87501

Dear Sir:

RE: State of New Mexico Lease K-4093 Dated May 19, 1964 Section 17, S/2 NE/4, S/2 SW/4, SE/4 T19S, R29E, Eddy County, New Mexico

With reference to previous correspondance concerning operations under paragraph 16 involving the above subject lease, we wish to advise Union TX State Com. Well No 1. is at a total plugged back depth of 11,417'.

Kindly find attached herewith progress reports covering perforated intervals and results of tests made up to the present time.

TJS;sd cc: Mr. Gressett // OCC-Artesia

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yours very truly

T.J. Sivley, Vice President