Mr. Montgomery & Mr. Armstrong

July 2, 1957

Magnolia State Lease

1. Surface waste as indicated by oil on the ground around the tanks. (Mr. Burgett explained that this was caused by temperary equipment failure.)

2. Well Number 1 on production at the time of inspection although no allowable has been assigned to this well since January, 1956.

In view of the above cited violations and haphasard operation practices, I instructed Mr. Burgett to shut in all of his wells immediately, and by copy of this letter Mr. Montgomery is being instructed to cancel allowables which have been assigned to the Pure State Wells Numbered 1, 2 and 3. No further allowable will be assigned any well on these leases until the discrepancies referred to above have been corrected and a satisfactory field inspection report has been filed by Mr. Armstrong.

You will note that a copy of this letter is being given to each of the other Commissioners, Mr. Burgett, Pure Oil Company and Magnolia Fetroleum Company.

Yours very truly,

A. L. Porter, Jr. Secretary - Director

ALP:bp

CC-Governor Mechem Commissioner Morgan Mr. E. D. Burgett Pure Oil Company Magnolia Petroleum Company

the least energy of the later was

July 2, 1957

CEARL PLACE STATUS

... threas wate as initated by bil of the ground around the tanks. (Er. Surgess tyleined they this to be a set of hemmorshy equipent failure.)

is its of the above with variabiles and implacent operation practices, interpreted for dampedt we shut in all of his wells immediately, and by conal view but nontenears is value instructed to cancel allowables which have been exampled to the functions (all a function of), is and 3. No furber wells use to above how here one wait on incess is associated instructed wells us to above how here orrected and satisfication and wells use to above how here orrected and satisfication record to be function of wait of satisfication field inspective measures to be first or here or instructed for inspective

councill mebe that a copy of sole letter is length **, iven to each of the** other Grandssichers, Mr. Johnstt, Fire **1**2 Journey and Maynolia Febroleum complete

្រុំរំលោវ ហុសា 🚛 លំ

A. L. Crear, Cr. courtery - Director

) indexes and beathan Samuasicaer saran (a...) It Garget's Functio Febrain tangan)