

QUINOCO PETROLEUM, INC.

Standard Place 5 - 15825 E. 1st St. Parkway Suite 1700 - Post Office Box 373111 - Denver, Colorado 80237

(303) 850-7575

RECEIVED

May 1, 1990

MAY -4 '90

O. C. D.
ARTESIA, OFFICE

State of New Mexico
Energy, Minerals and Natural
Resources Dept.
P. O. Drawer DD
Artesia, NM 88210

Attn: Mr. Mike Williams

Re: WILLIAMS "35" COM #2
Sec. 23-T23S-R28E
Eddy County, New Mexico

Pursuant to our telephone conversation of April 26, 1990 with yourself, I would like to submit a copy for your file of the workover reported by HNG on the subject well in 1981. As can be seen, HNG had an unidentified reported fish in the hole at 10990 ft with a mill subsequently left in the hole.

It is extremely doubtful, any attempt made by Quinoco to fish out or drill out the fish would be successful in order to set a plug immediately on top of the PENN at 11075 ft.

Therefore, as discussed with you, the PENN was plugged off per your alternative method of pumping cement.

Sincerely,

QUINOCO PETROLEUM, INC.



D. C. Williams
Drilling and Production
Engineer
Western Region

DCW/#7.ek
cc: Bruce Bowman
Jeff Pickett