

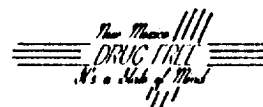


STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

AZTEC DISTRICT OFFICE



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GOVERNOR

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AZTEC, NEW MEXICO 87410
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June 16, 1992

Ms. Florene Davidson
Oil Conservation Division
PO Box 2088
Santa Fe NM 87504-2088

RE: Gila Exploration, Inc.
Hogan State #1, B-16-18N-12W
Hogan State #2, B-16-18N-12W

Dear Florene:

The referenced wells were drilled in 1986, have never produced in commercial quantities and TA extensions expired in 1987.

Please docket a case calling for Gila Exploration Inc., Four Corner Insurance and all other interested parties to appear and show cause why the Hogan State #1, located 889' from the north line and 1716' from the east line of section 16, township 18 North, range 12 West and the Hogan State #2, located 699' from the north line and 1568' from the east line of section 16, township 18 North, range 12 West should not be plugged and abandoned in accordance with a Division approved plugging program.

Yours Truly,

Charles Gholson
Deputy Oil & Gas Inspector

CG/sh

XC: Gila Exploration Inc., 11261 Richmond Ave., Suite G-108, Houston, TX 77082
Four Corners Insurance, Inc., 2713 E. 20th, Farmington, NM 87401
Mr. Robert G. McKinney, Acutest Corp., 112161 Richmond Ave., Suite G-108,
Houston, TX 77082
CG File
DKF File
Well File