State of New Mexico

Bil Conservation Commission

LAND COMMISSIONER GUYTON B. HAYS MEMBER



1000 RIO BRAZOS ROAD AZTEC STATE GEOLOGIST A. L. PORTER, JR. SECRETARY - DIRECTOR

June 21, 1967

Chaco Oil Company
P. O. Box 8294
Albuquerque, New Mexico

Attn: Mr. Henry Birdseye

OIL CON COM

Re: Chaco Oil Company

Santa Fe Pacific RR #15

378/S; 928/E, Sec. 20, T 20N, R 9W

Dear Sir:

Our records indicate that the above well was drilled in 1957 to a total depth of 528 feet. After correspondence with you concerning the status of the well, you indicated on Form C-103 filed May 22, 1959, that it was your intention to use the well as an injection well in the Red Mountain Water Flood at a future date.

Our records do not indicate that the well has been cased, and in the absence of casing, we believe that the well should be permanently plugged and abandoned.

If the well was cased please file form C-103 so indicating. Also please file form C-105, Well Record Form, indicating completion information.

In the event such information is not received prior to July 1, 1967, it is our intention to recommend to the Commission's legal department that a hearing be set to have Chaco Oil Co. and the bonding company show cause why the well should not be plugged and abandoned. We are notifying our legal department of this action by a copy of this letter.

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Yours very truly,

Cueucy Claved

Emery C Arnold

Supervisor, District #3

ECA:mc

cc: Mr. George Hatch, NMOCC, Santa Fe U.S. Fidelity and Guaranty Co.,

P. F. McCanna, Inc., Albuquerque, New Mexico

Notice of Intention to Plug is enclosed. No oil or water sands were encountered in this well.