



STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DIVISION
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE



BRUCE KING
GOVERNOR

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CABINET SECRETARY

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

September 30, 1993

Mr. John Alexander
Operations Manager
Dugan Production Corporation
P.O. Box 420
Farmington, NM 87499-0420

Re: ~~Anderson A #1 Well~~, Located ~~B-25-24N-02W~~, Rio Arriba County, New Mexico

Dear John:

On March 10, 1993, Mr. Don Voss of Lindrith reported to us that he had suffered the loss of his water well house because of an explosion from accumulated natural gas. Mr. Bill Dennison, also of Lindrith, has natural gas in his water well. We have determined that Pictured Cliffs gas is present in both water wells. The Anderson A #1 well is the closest producer to the two residences. The bradenhead of the Anderson A #1 well has a small amount of pressure on it after a short buildup and the cement coverage on the outside of the production casing is not sufficient to cover the zones from which the Voss and Dennison wells produce water. You are hereby directed to perform a mechanical integrity test on the production string. If the casing has integrity, you are to evaluate the cement coverage in the casing-hole annulus to ensure that there is sufficient cement to cover the interval to which the Voss and Dennison water wells are producing water. You are to commence the required work by October 15, 1993.

If you have any questions please contact me at 334-6178 or the letter head address.

Yours truly,

Ernie Busch
District Geologist/Deputy Oil & Gas Inspector

xc: Shirley Mondy-Rio Puerco BLM Office