BRUCE KING GOVERNOR LARRY KEHOE SECRETARY

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

September 26, 1979

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

Mr. Ernest Padilla Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Re: Jerome P. McHugh Cougar #2 K-36-25N-2W

Dear Mr. Padilla:

Please docket a case to allow the operator and all other interested parties to appear and show why the subject well should not be properly plugged and abandoned.

Although the form C-101 claims a "Statewide" bond we find no evidence that a plugging bond exists. Please check your files.

If there are questions, please contact us.

Yours very truly,

ar Leichich A. R. Kendrick

Supervisor, District #3

ARK:mc

xc: Jerome P. McHugh c/o Dugan Production Corp. Box 234 Farmington, NM

Reading File