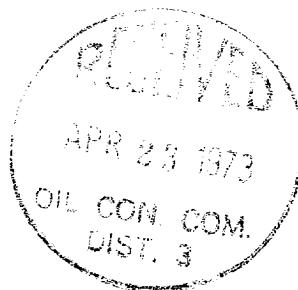


P. O. Box 959
Farmington, New Mexico 87401

April 19, 1973

R & G Drilling Co., Inc.
1775 Broadway
New York, New York 10019

Attention: Wm. C. Russell



Re: N. M. 03603-A

Gentlemen:

Your program for plugging well No. 43 Hammond, 1800' fml and 650' fcl of sec. 26, T. 27 N., R. 8 W., San Juan County, New Mexico should be set up as follows:

1. Place cement plug from total depth 4503 to 3600' (covering Mesaverde formation.)
2. Perf 2200' and set cement retainer @ 2050' and cement with 200 sacks.
3. Cut and pull 7" casing @ 1400' or perf at that point and cement with sufficient cement and in a manner to cover the Ojo Alamo formation, inside and outside of casing if 7" casing is not pulled.
4. Cement with 30' surface plug and erect marker and clean location.

Sincerely yours,

P. T. McGrath
District Engineer

(2)
Copy to Mr. Russell
7/2/73