

August 3, 1990

RECEIVED
AUG 06 1990
OIL CON. DIV
DIST. 3

Mr. Frank Chavez
New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410

Re: BENSON AND MONTIN
GALLEGOS CANYON UNIT #2
K-35 ~~W-12W~~
SAN JUAN COUNTY:
PLUGGING

Dear Frank:

Benson and Montin are still on the Commission's records as obligated to plug the captioned well. As you know these rights and the plugging obligation with them were sold to other parties many years ago; but somehow the plugging obligation has remained with Benson and Montin on the Commission's records.

A few years ago an effort was made by one of the landowners to acquire the well to produce shallow formations for fuel gas for his farming operation; however that effort was not completed.

Recently when we were reminded of the obligation to plug the well, we decided the least expensive course for Benson and Montin might be to plug the well if the hole could be washed down easily and assume this cost and risk rather than go to the time and expense of litigating the matter and placing the responsibility where it belongs. Under this premise we made an attempt last week to wash the hole down with a small rig and minimum equipment. Although we cleaned out approximately 150 feet it was clear that the hole could not be cleaned out to bottom without employing different equipment.

This letter will confirm my conversation with you in