

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO



March 5, 1959

Mr. George P. Walker  
Whyburn & Company  
P.O. Box 8156, Station C  
Albuquerque, New Mexico

Re: Sierra del Oro, Inc.  
Maryland Casualty Company  
Blanket Bond No. 90-528105

Dear Sir:

Reference is made to your letter of February 24th wherein you advised that there was no longer any need for the subject bond and that the principal is requesting cancellation thereof.

We cannot cancel the bond because, although the well was reported plugged, an inspection of the well site indicates lack of proper plugging procedure, including cleaning the location and setting a permanent marker as required by the rules of the Oil Conservation Commission. Further, that the well is bubbling gas and water indicating improper plugging down-hole.

Until such time as corrective measures have been taken concerning this matter, the bond cannot be released.

Very truly yours,

Daniel S. Nutter  
Chief Engineer

DSN:bp

CC-Sierra Del Oro, Inc.  
523 Third St., NW  
Albuquerque, New Mexico

A. R. Kendrick, OCC, Aztec