

THOMAS OIL & GAS INC. P. O. BOX 60026 SAN ANGELO, TEXAS 76906

July 29, 1999

Oil Conservation Division Aztec District Office 1000 Rio Brazos Rd. Aztec, New Mexico 87410

Re: Garcia Fee Rio Arriba County

Dear Mr. Perrin,

AUG 0 4 1999

OIL CON. DIV.

Enclosed please find several documents regarding our telephone conversation on this date. I was told by Mr. Cunningham, acting as my agent, that he would file the forms required by your office. I was remiss in not taking charge of that responsibility. I am enclosing the Form C-105 for the Garcia # 1R. I reviewed the instructions that the Commission sent on procedures, and I cannot find the requirement to run logs. No logs were run on this well. This well was plugged according to your office' requirements. A Commission field representative was requested to be on site and was there. I don't recall from our conversation if the Form C-103 was filed on this well. I have enclosed the faxed copy that Mr. Cunningham sent me to fill in the API and the State Lease number. I sent him that information on December 14th or 15th. If I need to file this form, please let me know. My mailing address and phone number is found on any of the other forms filed with your office concerning the Garcia #1 and #1-R.

I am also enclosing a copy of the Form C-103 on the Garcia #1. Please note that this form was received in your office on August 5th, 1998 and was signed by Mr. Busch.

The Garcia #4 was plugged for Mr. Puff by J. C. Well Service sometime in the fall of 1998. I made the mistake of naming a possible well drilled by my company the #4 for the bonding company, rather than the #4-R, or any other given number. Please note that my bond states a different location than the Puff #4 well. The location that I bonded for was never permitted or drilled.

Sincerely,

P. M. Thomas

Thomas Oil & Gas Inc.

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PMT/jlt