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WELL FILE Chase ENERGY K-4-30N-17W RECEIVED

30 MY 21 MIII: 25

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA 1235 LAPLATA HIGHWAY FARMINGTON, NEW MEXICO 87401

Re: 14-20-0603-639 (WC) No. 50 King Kong DECEIVE [MAY2 9 1990

OIL CON. DIV.

Dear Sirs:

Pursuant to your letter received 4/30/90 Action 01 hereby gives notice of its' intention to continue this well as a shut-in well.

Because of the problems of bacteria in the water being disposed of from the two leases, which causes deterioration of the metal it is exposed to, we will probably need to install heater-treaters on the water line. Since this is a gas well we will need the fuel for the heater-treaters when they are installed. We would measure the gas, of course, and remit the necessary royalty payments.

We wish to test the casing integrity and conduct a production test as you require. Because of a plugging program committed to by Action, we would respectfully request not less than sixty (60) days before filing the sundry notice. We will notify you prior to the tests being conducted.

Thank you for your consideration.

ACTION OIL

Gene Burson

AUG ^ 1990

THIS AT A TOTAL

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Ken Townsand