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SICI Snyder Oil Corporation

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019 FARMINGTON, N.M.

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Attn: John L. Keller

1235 La Plata Highway

Farmington, New Mexico

U.S. DEPARTMENT OF INTERIOR Bureau of Land Management

RE: Snyder Oil Long Term Shut In Wells

Dear John,

June 26, 1992

The letter received on May 20th was lost during a change in management and was brought to my attention by a phone conversation with Wayne Townsend on June 25, 1992.

Following is a request for classification of long term shut in for the following wells:

- Located in NW 1/4 Sec. 19, T31N, R12W, San Juan Co., N.M. This well is unable to produce in paying quantities due to high volumes of produced water and the high cost of water disposal. The well is currently being evaluated for installation of pump, rods, pump jack and water disposal system. Time is required to evaluate when this well can be put back into production.
- (2) CAIN 1 Lease No. SF078464.
  Located in NW 1/4, Sec. 25, T31N, R13W, San Juan Co., N.M. Existing market conditions do not provide economics for change out of tubing and surface equipment. Time is required to evaluate when this well can be put back into production.
- Located in SW 1/4, Sec. 31, T29N, R10W, San Juan Co., N.M. Existing market conditions and high sales line pressures do not provide economics for change out of tubing and surface equipment. Time is required to evaluate when this well can be put back into production. SEE ATTACHED FOR APPROVED

(4) COLLINS 1 - Lease No. NMO702. Located in NW 1/4, Sec 31, T29N, R10W, San Jaan Chi, 210.1992

AREA MANAGER

THIS APPROVAL EXPIRES MUL 0 1 1993

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## Page 2 - RE: SOCO Long Term Shut In Wells

Existing market conditions and high sales line pressures do not provide economics for change out of tubing and surface equipment. Time is required to evaluate when this well can be put back into production.

LINDA 1 - Lease No. I-149-IND-8469.

Located in SW 1/4, Sec. 31, T27N, R8W, San Juan Co., N.M.

Existing market conditions do not currently provide economics for re-stimulation of producing zones and purchase of production equipment. Time is required to evaluate when this well can be put back into production.

If you have further concerns or questions on this matter please call me at 632-8056.

Sincerely,

Chester L. Deal

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Superintendent