

LAW OFFICES OF
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TELEPHONE 622-2700
AREA CODE 505

RECEIVED
AUG 16 1971
OIL CONSERVATION COM.

August 13, 1971

Mr. Daryl Davis
104 Gulf Building
Midland, Texas 79701

Re: State "A" #1
Township 4 South, Range 26 East
Section 1: NE $\frac{1}{4}$ SW $\frac{1}{4}$

Dear Mr. Davis:

We represent Mr. Edgar L. Powell, the owner of a State Contract involving the purchase from the State of New Mexico of Section 1, Township 4 South, Range 26 East, N.M.P.M., Chaves County, New Mexico, and other lands. This tract is also embraced in your State of New Mexico oil and gas lease dated July 19, 1966, bearing number K-6183.

In the winter of 1968 or early spring of 1969, you were the operator involved in the drilling of a test well for oil and gas lease described as the State "A" #1. This well apparently was drilled to a total depth of 2,078 feet. Although demand has been made upon you to clean the location, remove the tank and wellhead fittings, and to otherwise place the premises in a safe condition, you have failed to do so.

This letter will constitute your notice that Edgar L. Powell, the owner of the State Purchase Contract lands, involving the subject location, has declared that you have abandoned all of your right, title and interest in and to the 500 barrel tank, the fittings and other equipment on the well location, all of the oil in the tank, and such other equipment as may be on the premises. The slush pit is unfenced and is in a dangerous condition and Powell proposes to appropriate the above described equipment to and for his own use and to use the proceeds thereof for the purpose of protecting his cattle from the inherent dangers now present.