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MINERALS, INC.

P. O. Box 1215

Phone 283-8214

HOBBS, NEW MEXICO 88240

MAR 16 1970

March 11, 1970

O. C. C.
ARTESIA, OFFICE

ACCEPTED FOR RECORD PURPOSES
MAR 13 1970
Date
ACTING District Engineer

Mr. Jim Knauf
United States Geological Survey
Oil & Gas Division
1221 N. 1st St.
Albuquerque, New Mexico 88103

Re: Minerals, Inc.
No. 1 Well - Federal
Sec. 19, T-13-S, R-28-E
Chaves County, New Mexico
NM 054,208

Dear Mr. Knauf:

With reference to the subject well, I have attached additional data that I sincerely hope will clarify certain points discussed in your recent telephone conversation with Mr. Montgomery.

The decision to discontinue drilling operations was made because the structural position of the Queen formation was encountered considerably lower than anticipated. Realizing structural closure alone is not necessary to trap San Andres oil, we definitely do not believe censing is of significant importance. With the information available we did not feel it would be economical to drill another 1300'. Prior to making the decision to discontinue drilling, we discussed the possibility with some eight other people and companies involved in the test. Several days were involved before approval was obtained. When the decision was made to plug, it was thought in the interim time all parties had been informed and all necessary procedures had been complied with. Unfortunately many of the responsibilities were divided and "notification to plug" was not filed with your office.

I designed the cement plugs so as to cover at least 70-75 feet per plug using the I.D. of the casing (the larger hole to be plugged). To determine 30 sacks were needed. Thirty (30) sacks of cement were used per plug and spotted at the following intervals based on volume calculations as per hole size: 960-867 (93' in 8" hole), 410-325 (83' across bottom of casing); and 70-0 (70' surface plug in 9 5/8" casing). The "Notice of Abandonment" indicating 15 sacks per plug was reported in error and should read 30 sacks per plug. Also 70' plugs were reported for 30 sacks would cover at least this interval.

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Mr. Jim Inaud
United States Geological Survey
March 11, 1970
Page 2

from the bottom of the hole at all depths, however, calculations indicate in the smaller open hole a larger interval was actually covered. I have attached a copy of the cement record and a copy of the daily drilling report taken from the drilling operations files.

As requested, please find attached to (2) a print of the sample description.

We sincerely regret several points were not covered and assure you that in future operations we will maintain communication with your office.

Sincerely yours,

DLG/lw
attachment.

Donald L. Garry
Vice President
Minerals Inc.

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