



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

JERRY APODACA
GOVERNOR

June 15, 1978

RECEIVED

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

NICK FRANKLIN
SECRETARY

JUN 19 1978

O. C. C.
ARTESIA OFFICE

Mr. James Lyons
United States Fidelity &
Guaranty Company
P. O. Box 3566
Albuquerque, New Mexico 87110

Re: \$5,000 One-Well Plugging Bond
Charles M. Goad, Principal
United States Fidelity and
Guaranty Company, Surety
Bond No. 7556
File Ref.: 01-0130-217-72

Dear Mr. Lyons:

It has come to our attention that the above-referenced well was recently plugged by your principal. However, a Commission-approved plugging program was never sought, as required by Order No. R-5031, and our Artesia District Office was never notified. A field inspection has revealed that this well is not properly plugged in accordance with Commission requirements, and it must therefore be re-plugged.

We hereby make demand on your company as surety to resolve this matter by plugging the well in accordance with a Commission-approved plugging program.

Very truly yours,

(Ms.) LYNN TESCHENDORF
General Counsel

LT/dr

cc: Charles M. Goad
James K. Kirk
Bill Gressett