67435 M.Y. No.

____ September 11, 1991

Mr. Jerry Sexton State of New Mexico Oil Conservation Division P. O. Box 1980 Hobbs, NM 88241-1980

Re: Murphy State A #1 Sec. 24-10S-33E Lea County, NM

Dear Sir:

Per your letter of September 6, 1991, please be advised that the above referenced well has not been plugged. Shortly after we filed the intent to plug, we were contacted by a party who offered to buy our interest and take over operations. We agreed to sell but the other party delayed closing and finally the sale fell through. Due to a lack of intercompany communications, we were just recently notified of this. So we have now submitted a new bid package to production and salvage companies offering this well for sale.

Should anything further be necessary, please feel free to contact me.

Sincerely,

C. Jan Palkenburg

Charlotte Van Valkenburg

Technical Coordinator



STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

BRUCE KING GOVERNOR

September 6, 1991

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

Kaiser-Francis Oil Company P.O. Box 21468 Tulsa, OK 74121-1468

Attn: Charlotte Van Valkenburg

Re:

Plugging Report

Murphy "A" State #1-J Sec. 24, T10S, R33E

Gentlemen:

You filed an intention to plug the above-referenced well in November 1989, and as of this date we have received no subsequent report of this work. If the well has been plugged, please file C-103 immediately.

Very truly yours,

OIL CONSERVATION DIVISION

Supervisor, District I

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