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December 23, 1957

Re: Gussie Dearduff 1-E Well
Section 3 - T 16S - R 35E
Lea County, New Mexico

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

We enclose Form c-102 showing as before that subject well is temporarily abandoned, which is the best that can be done for the following reasons:

- (1) This was a farmout from Gulf Oil Corporation with an outstanding 1/16th Mineral Interest owned by Gordan M. Cone. Mr. Cone did not deliver his mineral interest in order that the well could be financed and drilled. Subsequently Gulf obtained a release and attempted to farmout to other parties. This company did not receive an assignment to this acreage and owns no interest in it whatsoever.
- (2) Abbot Brothers of Hobbs, New Mexico drilled the test to a total depth of 310 feet which is the approximate depth of several water wells in the area from the information that we have. Accordingly, this company is of the firm opinion that the test was not drilled beyond the fresh water zones. In fact, there are a number of uncased and abandoned water wells on Section 3.
- (3) This company is not financially able to finance the cleaning out of the hole to total depth and running casing, or to clean out to total depth and cement the entire hole to the surface.
- (4) Abbott Brothers supposedly cleaned up the location when their rig was moved out.

