



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

GARREY CARRUTHERS
GOVERNOR

May 27, 1987

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

St. Clair Energy Corporation
501 First National Bank Building
Midland, TX 79701

Re: Caudill Well #1-K
Section 21, T15S, R36E

Gentlemen:

During the latter part of April, 1987, I discussed the problem caused from the hole in the casing on the above-referenced well with a representative of your company. Also, on April 22, 1987, I wrote you requesting that you submit your written intention to plug along with a possible starting date. Also, in my conversation I requested a gas analysis of the gas from this well. To date we have not received this information. Your representative indicated you could get this matter taken care of within 30 days.

I have recently had another inquiry from the landowner wanting to know what we had heard from you and I was unable to tell him anything other than we had contacted you but nothing had been done.

I really feel there is not much chance of anything escaping but we do need to keep on top of a situation like this. Please let us hear from you as soon as possible.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District I

JS/ED