SOUTHERN UNION PRODUCTION COMPANY 2 2.

FIDELITY UNION TOWER TO DALLAS, TEXAS 75201

in Mag

DRILLING & PRODUCTION DEPT.

BENNY E. BECHTOL

MANAGER

November 20, 1968

Oil Conservation Commission P. O. Box 1980 Hobbs, New Mexico

Attention: Mr. Joe D. Ramey

Supervisor District 1

Re: Southern Union (South Denton State #1)

Unit L, Sec. 6, T-165, R-38E

Lea County, New Mexico

Gentlemen:

We received your letter of November 15, 1968 directing us to rementer and plug the above well. During the period of our telephone conversations I had correspondence with Mr. H. D. Hale of Huron Drilling Company, and he informed us that the well had been properly plugged after the 8-5/8" casing was shot off and removed from the well. He also informed us that he would file the necessary forms with the State to clear up this matter. I have today written him another letter asking him to take care of this immediately.

As you are aware Mr. Hale's company, Huron Drilling Company, drilled this well on a farmout from Southern Union Production Company and Pacifice Natural Gas Exploration Company. Shortly after drilling this well Huron Drilling Company went out of business, and the rig used to drill this hole, we understand, is still over the hole.

The report we submitted dated June 15, 1967 is based upon the information we had in our files, and it is our assumption that with Mr Hale"s supplement showing the additional plugging information, that this will get us "off the hook".

We also have enclosed the Form C-105 you requested, along with a tabulation of the deviation surveys as taken from our daily drilling report, such as it is.

I apologize for the delay in taking care of this matter.

Yours very truly,

Smy C Sectlot

BEB/mc Enclosures/6