GARREY CARRUTHERS

GOVERNOR

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

April 11, 1989

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

Bond of -89

I & W Transportation P.O. Box 939 Lovington, NM 88260

Attn: Michael D. Caudill

Re: Change of Operator

Gentlemen:

We have received Form C-104 requesting a change of operator from Ann H. Taylor to I & W Trnasportation for the S.P. Johnson #2-M Sec. 5, T18S, R39E.

Our Santa Fe office advises that you do not have a plugging bond on file for this well. Enclosed you will find a copy of a bond form and if you have not already submitted your bond, please obtain a plugging bond for this well so we can change the operator.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton Supervisor, District I

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Encl.