

GEOLOGY
VALUATION

LEASES
TAXATION

EDWARD E. KINNEY

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Apr. 29, 1959

PHONE SHERWOOD 6-3171

APR 30 PM 1:48

205 CARPER BLDG.

Oil Conservation Commission
Box 2045
Mojabbs, New Mexico

Attention: Mr. R. F. Montgomery
Proration Manager

Gentlemen:

This will acknowledge your letter of April 22nd.

My well, the #1 Magnolia-State in Unit B, Section 32, T19S, R33E, has not been plugged and abandoned. The well is shut-in or shut-down as you prefer. Your office has been so advised and monthly C-115 reports are made showing the continuing status.

The well is out of production because the water-oil ratio had become uneconomical with the equipment at hand. Some arrangement is trying to be worked out with the base lease owner, the Magnolia Petroleum Co., which agreement would put the well to producing again. The lease acreage is committed to the Little Eddy Unit.

Inasmuch as I am now filing a status report every 30 days, I am not herewith filing a C-103 to show the same thing.

Very truly yours,

Edward E. Kinney
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