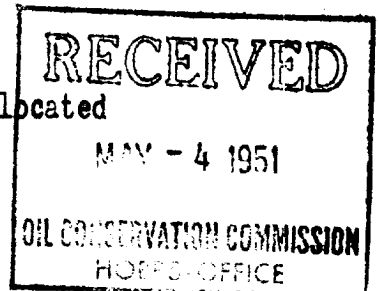


The Gulf Oil Corporation's Graham State "F" Well No. 3, located in the NW SW Section 36-19S-36E in the Monument Pool.

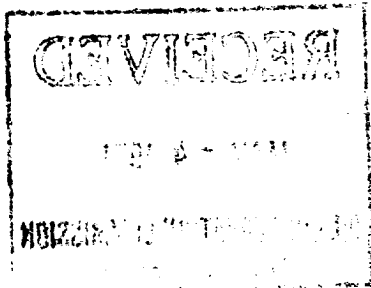
SUBJECT: Request to Plug and Perforate 5 1/2" casing.



The Graham State "F" No. 3, located in the NW SW Section 36-19S-36E in the Monument Pool, was completed March 18, 1937, at a total depth of 3921'. Five and one-half inch 17# pipe was set at 3855', some 30' in the lower Gray burg sand and 41' in the San Andres formation. The principal reason that the casing was set this distance in the formation was to reduce as much as possible the gas production in the well.

From the time of completion until January 1, 1951, the well produced 254,247 barrels of oil. On March 25, 1950, it was necessary to install a gas lift system and produce the well by injecting outside gas. After this installation was made, the well tested 206 barrels of oil and 226 barrels of water. However, the water production continued to steadily increase until February 18, 1951, the well was making no oil and 1000 barrels of water per day on tubing flow. On March 6, 1951, the tubing flow valves were replaced with casing flow valves and the well has been tested at a rate of no oil and 2500 barrels of water per day for 15 days.

In order to eliminate the water production of this well and to reduce waste water expense and lifting costs, it is recommended that a Baker bridging plug be set at 3850', a five foot cement plug be placed on top, and that the casing be perforated with four jet shots per foot between 3800' and 3845'. This will expose the upper 5' of the San Andres dolomite and the lower 30' of the overlying Gray-burg section.



TO THE HONORABLE THE ATTORNEY GENERAL  
STATE OF NEW YORK  
ALBANY

RE: [Illegible]

[Illegible text follows, appearing to be a letter or memorandum.]