

Water Resources Division  
P.O. Box 4217  
Albuquerque, New Mexico 87105  
July 18, 1966

MAIN OFFICE

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Mr. Frank Curtis  
Gulf Oil Corporation  
Petroleum Building  
P.O. Box 1930  
Roswell, New Mexico

Subject Well: No. 1 North Custer Mountain Unit, 668 P.M. and  
1930 P.M. Sec. 24, Township 23 South, Range 35  
East, Los County, New Mexico

Dear Mr. Curtis:

The New Mexico District, Water Resources Division, of the United States Geological Survey, agrees to accept all responsibility incidental to the subject well including the future plugging of the subject well in accordance with the New Mexico Oil Conservation Commission's Regulations, without additional cost to Gulf Oil Corporation, provided that:

Gulf Oil Corporation agrees as evidenced by the signature of an authorized representative, to give and transfer all of their rights, title and interest in the subject well, including any rights of ingress and agrees to the subject well which may be owned by Gulf Oil Corporation, together with the casing in the subject well, to the New Mexico District, Water Resources Division of the United States Geological Survey, for use as a water-level observation well. Gulf Oil Corporation further agrees to plug the subject well back to 12,840 feet in accordance with the New Mexico Oil Conservation Commission's Regulations, thus leaving approximately 500 feet of uncased hole.

Yours truly,

William E. Hall, District Chief  
U.S. Geological Survey, NRD  
Albuquerque, New Mexico

Approved by:

As Authorized Agent for Gulf Oil Corp.

cc: Powers, Mutter, Ramsey, Hays, Zbur