



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

August 27, 2004

Mickey O'Hare, President
Maralex Resources, Inc
PO Box 338
Ignacio CO 81137

Re: Alexandra Ballard 1, S30-T25N-R11W API 30-045-27123

Dear Mr. O'Hare:

Regarding the above listed well, our phone conversation of August 18, 2004 and your letter of August 20, 2004. You indicated the temporary abandonment of the well has been approved by the BLM and you provided an approved copy of the sundry notice. While this brings you into compliance with the BLM rules and regulations, this leaves the well in violation of Oil Conservation Divisions rule 19.15.4.203 TEMPORARY ABANDONMENT. Temporary abandonment is a regulatory term with regulatory requirements.

In order to comply with the rules you can use the following procedure or submit your procedure to this office for approval.

1. Isolate the casing within 50 feet of the perforations,
2. Pressure the wellbore minimum of 500psi
3. Record the test on a chart recorder using a
 - a. 1000# maximum spring and
 - b. Two (2) hour clock.

The chart is to be submitted to this office for approval.

If the well was tested please provide us with a copy of the test. If this well was not tested as required, please prepare your well for testing and contact this office at least 24 hours before the test so we can witness the test.

If you have any questions, please call me at 505-334-6178, ext. 16.

Sincerely yours,

Charlie T. Perrin
Deputy Oil & Gas Inspector
cperrin@state.nm.us

CTP/mk

Cc: Steve Mason, BLM Farmington
CTP
Well File