STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

GARY E. JOHNSON
GOVERNOR

JENNIFER A. SALISBURY
CABINET SECRETARY

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178 FAX: (505) 334-6170

November 7, 1995

Mr Donnie Hill
BC&D Oper Inc
PO Box 837
Hobbs NM 88241

RE: Wells Failing MITs

Dear Donnie:

The following wells have failed the mechanical integrity tests which were performed on them September 26, 1995:

Santa Fe Railroad #23	C-07-17N-08W	30-031-20150
Hospah #51	F-12-17N-09W	30-031-20242
S Hospah #18	G-12-17N-09W	30-031-20058
Hospah #39	H-12-17N-09W	30-031-20152
Hospah Sand Ut. #100	H-36-18N-09W	30-031-20831
Hospah Sand Ut. #70	N-36-18N-09W	30-031-20247

According to New Mexico Oil Conservation Division Policy, any Injection Project, Storage Project, Salt Water Disposal or Special Purpose Injection Well failing its M.I.T. will immediately be shut-in and not allowed to commence injection until it is repaired and retested. Also, if the well is not repaired, it will fall under the directive of New Mexico Oil Conservation Division Rule #705C-1. This rule stipulates that if there is a continuous six-month period of non-injection into any type of well, it will be considered abandoned and the authority for injection will automatically terminate ipso facto.

Please file the required C-103, Notice of Intent, for any remedial work to be done on the above-mentioned wells and notify our office at least 24 hours before conducting any work or M.I.T. so we may have a representative present to witness the repair and/or test.

If you have any questions, please call Mr. Johnny Robinson or Ernest Cardona at 334-6178.

Sincerely,

Ernest Cardona
Deputy O&G Inspector

EC/sh

xc: David Catanach, UIC Director
UIC File
Well Files
EC File