

# OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO  
1000 RIO BRAZOS ROAD - AZTEC  
87410

July 23, 1974

J. R. TRUJILLO  
CHAIRMAN

LAND COMMISSIONER  
ALEX J. ARMijo  
MEMBER

STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

Mr. Gene D. Wilson  
Fairfax Exploration, Inc.  
301-B Graceland SE  
Albuquerque, New Mexico

Re: Drilling Reports  
Fairfax Exploration, Inc.  
Bullseye #1, B-13-16N-10W

Dear Mr. Wilson:

At the time you drilled the above well you called for plugging instructions and were given a plugging plan. New Mexico Oil Conservation Commission rules and regulations require the following:

1. Within 10 days following commencement of drilling operations the operator of the well shall file a report thereof on Form C-103 in triplicate. This report shall indicate the hour and date the well was spudded.
2. A report of casing and cement test shall be filed by the operator of the well within 10 days following the setting of a string of casing or liner.
3. A notice of Intention to Plug shall be filed in triplicate setting out plugging plans for approval by the Commission. (To prevent the cost of rig time while awaiting approval, it is the Commission's policy to approve plugging plans orally, but the plan agreed upon must be submitted in writing for subsequent approval so that the well file will reflect that the plugging was approved.)
4. A report of plugging operations shall be filed by the operator of the well within 30 days following completion of plugging operations on any well. Said report shall be filed in triplicate on Form C-103 and shall include the date the plugging operations were begun and completed and shall detail an account of where each plug was set, the size and depth of casing left in the hole and other pertinent information.
5. Within 20 days following the completion or recompletion of any well the operator shall file form C-105 with the Commission. It must be filed in quintuplicate and must be accompanied by a summary of special tests conducted on the well. In addition one copy of all electrical and radio activity logs run on the well must be filed with form C-105.

Our file on your #1 Bullseye well indicates that nothing has been filed other than a form C-101, Application for Permit to Drill, which was filed on

Mr. Gene D. Wilson  
Fairfax Exploration, Inc.

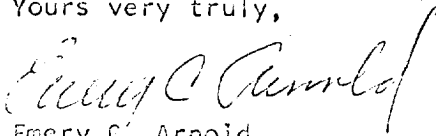
July 23, 1974

Page 2

April 20, 1974. It appears that your company is in flagrant violation of the rules of the Commission, and unless the indicated information is received in this office within 10 days from this date, it is my intention to turn the matter over to the Commission's General Counsel, Mr. William F. Carr, for appropriate legal action.

If you require assistance in meeting any of the requirements, please contact me.

Yours very truly,



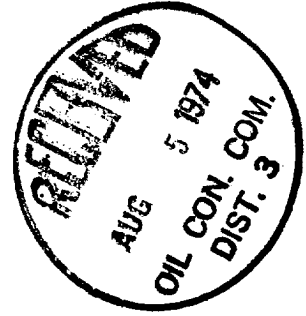
Emery C. Arnold  
Supervisor, District #3

ECA:mc

cc: Mr. William F. Carr  
Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico

# Fairfax Exploration, Inc.

301 B Graceland, S.E.  
Albuquerque, New Mexico 87108  
Telephone (505) 268-9570



July 29, 1974

Mr. Emory C. Arnold  
Oil Conservation Commission  
State of New Mexico  
1000 Rio Brazos Road  
Aztec, New Mexico 87410

Dear Mr. Arnold:

Thank you very much for your letter dated July 23, 1974, I am very glad that you brought this to my attention. I assumed all along that my staff was taking care of mailing all the necessary routine forms. I have been working seven days a week plus every evening on a Kelsh project for Tenneco in Ethiopia and have neglected everything else, assuming that all was going smoothly. This obviously was a mistake. I assure you that no violations were intended, it was really the result of an internal communication breakdown. I didn't assign one person to do it, consequently everyone thought someone else was taking care of it. The situation has been corrected, and I don't believe that will occur again.

Very truly yours:

A handwritten signature in dark ink, appearing to read "Gene D. Wilson", is written over the typed name.

Gene D. Wilson, President

Attach: