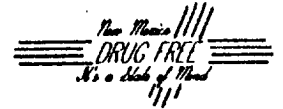




BRUCE KING
GOVERNOR

STATE OF NEW MEXICO
ENERGY, MINERALS and NATURAL RESOURCES DIVISION
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

ANITA LOCKWOOD
CABINET SECRETARY



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

March 3, 1993

Mr. Eric H. Olsen
Nerdlihc Company, Inc.
337 E. San Antonio Dr.
Long Beach, CA 90804

RE: Temporarily Abandoned Wells
Bullseye #6, K-18-16N-09W (GP)
Bullseye #10, O-18-16N-09W (DK)
Bullseye #7, D-19-16N-09W (DK)
Marcelina #5, A-24-16N-10W (DK)
Marcelina #1, A-24-16N-10W (DK)
Marcelina #6, H-24-16N-10W (DK)

Dear Mr. Olsen:

On March 16, 1992 Nerdlihc Company responded to NMOCD Memorandum 3-91-10 dated December 27, 1991 in reference to the above mentioned TA wells. Nerdlihc was required to complete work on these wells by December 31, 1992. Our records indicate that these wells are still inactive and require P&A or TA approval under Rules 201, 202 and 203.

Nerdlihc is hereby directed to submit plans to bring these wells into compliance by April 1, 1993. Your failure to respond will result in violation of Rule 201 and we may assess fines or take other appropriate measures.

Sincerely,

Dianna K. Fairhurst

Dianna K. Fairhurst
Deputy Oil & Gas Inspector

XC: TA File
Well File