

4-16-00

ELM RIDGE RESOURCES

RE: Jic 398 B #2 M-15-23N-4W
30-039-23967

An original C-104 with all information (completion data & test data) was never filed or approved on this well.

These POD #'s you show on the #2, is for the #1 and the API # is for the #1. There is no POD # assign to #2, because no C-104 was ever filed.

This C-104 is approved for an operator change only.

Thanks,
Dorothy, OCD
Ext.#22

The New Mexico Statute Chapter 70 is the Oil and Gas ACT. 70-2-6 Commission's and division's powers and duties states. The division shall have, and is here by given jurisdiction and authority over all matters relating to the conservation of oil and gas...

70-2-11 gives the New Mexico Energy Minerals and Resources Department, Oil Conservation Division the "Power of commission and division to prevent waste and protect correlative rights".

70-2-12 Enumeration of powers, "Included in the power given to the oil conservation division is the authority to collect data; to make investigations and inspections; to examine properties, leases, papers, books and records; to examine, check, test and gauge oil and gas wells, tanks, plants, refineries, and all means and modes of transportation and equipment; to hold hearings; to provide of records and reports; to limit and prorate production of crude petroleum oil or natural gas as provided in the Oil and Gas Act to require either generally or in particular areas certificates of clearance or tenders in connection with the transportation of crude petroleum oil or natural gas or any products of either or both oil and products or both natural gas and products

New Mexico Oil Conservation Division Rules and Regulations require Bradenhead and Packer Leakage Tests. The information gathered during these tests assures well compliance and allows potential problems to be recognized before they occur. Recognizing potential problems or catching them early can help minimize the expense of repair and/or prevent an expensive contamination clean up. With the aging infrastructure, the importance of the proper well testing becomes increasingly important to prevent the waste of oil and gas resources, to prevent contamination of ground water, and to hold operation expenses to a minimum. This course is essential for those physically conducting the test in the field, analyzing the results and submitting the test information for approval.