

P.O. Box 959
Farmington, New Mexico 87401

July 7, 1980

Hanson Oil Corporation
P.O. Box 1515
Roswell, New Mexico 88201

Gentlemen:

Reference is made to your well No. 2 Candy Butte, 660' FNL and 1980' FEL sec. 25, T. 17 N., R. 3 W., Sandoval County, New Mexico, lease NM 10203. A sundry notice accepted for record on April 1, 1980 indicates operations were suspended on March 7, 1980 until further notice. Please be advised 30 CFR 221.9 states "require plugging and abandonment of any well or wells no longer used or useful in accordance with such plan as may be approved or prescribed by him, . . ." It is not acceptable to maintain this well in a suspended drilling status for a prolonged period of time.

Accordingly, please submit a sundry notice containing any completion work which has been done and your estimated time to either attempt completion or plug and abandon the well. Upon receipt of the current well status showing the physical condition of the well, and if it will be longer than 90 days before you resume operations, please submit a sundry notice for temporary abandonment of the well. Any temporary abandonment approved will be for a period of no longer than one year and at the end of that time you will be required to show cause why the well should not be permanently plugged and abandoned.

Sincerely yours,

James F. Sims
District Oil and Gas Supervisor

cc: Well file (drilling)
Chronological
✓NMOCC

JFSims:cap

