OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE 1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (505) 334-6178 Fax (505)334-6170

JENNIFER A. SALISBURY CABINET SECRETARY

GARY E. JOHNSON GOVERNOR

July 24, 1997

Tom DeLong Central Resources Inc PO Box 2810 Farmington NM 87499

RE:

Central Bisti Unit #66, 30-045-05594, M-32-26N-12W

Horseshoe Gallup Unit #228, 30-045-10020, C-02-30N-16W

Dear Mr. DeLong:

This letter is in reference to your conversation about your request for a continued shut-in status for the above-mentioned wells. According to Rule #201B, any well that has been shut-in for a period of one year will be plugged or properly abandoned within (90) days. Your letter indicates that you could use these wells later and I would suggest that you run a Mechanical Integrity Test (MIT) on the wells. If they test out OK, I can approve a five-year temporary abandonment which could be renewed if necessary by another MIT when the five-year approval expires. The above-mentioned wells must be brought into compliance before September 23, 1997.

Please feel free to contact me at 334-6178 if I can be of any help.

Sincerely,

Johnny Robinson

Deputy O&G Inspector

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xc: TA File Well file