



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
GOVERNOR

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JENNIFER A. SALISBURY
CABINET SECRETARY

Certified #P 471-215-196

September 29, 1997

MR DWAYNE WINKLER
OPERATIONS MANAGER
MALLON OIL COMPANY
PO BOX 3256
CARLSBAD NM 88220-3256

Re: Jicarilla 459 #8, C-17-30N-03W, 30-039-24305
Jicarilla 459 #3, G-18-30N-03W, 30-039-24306

Dear Mr. Winkler;

The referenced wells are in violation of NMOCD rules and regulations. The Jicarilla 459 #8 well is in violation of rule 303 A. requiring pool separation. The Jicarilla 459 #8 and Jicarilla 459 # 3 wells are in violation of rule 104 (2) A. requiring wells in Rio Arriba County to be located 790 feet from the quarter section line and 130 feet from the quarter quarter section line.

You are hereby directed to immediately shut the wells in until each well has an approved C-102 form.

Please do not hesitate to contact me if you have any questions.

Yours truly,

Ernie Busch
District Geologist/Deputy O&G Inspector

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xc: well files