



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

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

GARY E. JOHNSON
GOVERNOR

JENNIFER A. SALISBURY
CABINET SECRETARY

June 10, 1997

Mr Paul Slayton
Mountain States Petroleum Corp
PO Box 1936
Roswell NM 88202-1936

| | | |
|----------------------|--------------|--------------|
| Re: NW Cha Cha UT #7 | M-17-29N-14W | 30-045-08215 |
| NW Cha Cha UT #16 | E-22-29N-14W | 30-045-08068 |
| NW Cha Cha UT #26 | I-22-29N-14W | 30-045-29187 |
| NW Cha Cha UT #58 | O-26-29N-14W | 30-045-07779 |
| NW Cha Cha UT #68 | G-35-29N-14W | 30-045-09692 |
| NW Cha Cha UT #67 | E-36-29N-14W | 30-045-07684 |
| NW Cha Cha UT #66 | G-36-29N-14W | 30-045-07686 |

Dear Mr. Slayton


On 6-3-1997, a review of the above-mentioned injection wells, operated by Mountain States Petroleum Corporation, revealed that they have been in non-compliance for one or more years because failed and/or past due MIT's were conducted.

It was determined by our District Supervisor, Mr. Frank Chavez, and this office that the referenced wells have come under the directive of NMOCD rule #705-C. This rule stipulates that any injection project, storage, SWD well or injection well, which has had a continuous six month period of non injection, will be considered abandoned and the authority for injection will automatically end.

Mr. Slayton, if you intend to use any of the above referenced wells in the future for injection, they will have to be repermited for injection before they can be utilized.

Please feel free to contact me at (505)334-6178 if you have any questions.

Sincerely,


Ernest Cardona
Deputy O&G Inspector

EC/sh

XC: Well files
E.C. file