



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

TONEY ANAYA
GOVERNOR

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

February 10, 1986

Mr. James Smith
Southland Royalty Co.
P.O. Box 570
Farmington, NM 87499

Re: Federal PRI #1 O-11-29N-12W

Dear Smitty:

As you will recall Southland Royalty Co. was directed to repair the casing, or plug and abandoned the referenced well on March 7, 1985. Your company and co-owner Producing Royalties Inc., were given an extension to October 26, 1985, to prepare a cost estimate and a plugging program.

As no further effort has been made to initiate remedial or plugging activity, you are hereby directed to initiate such activity before March 10, 1986.

Failure to comply will result in a case being called for Southland Royalty Co., Producing Royalty Inc., and all other interested parties to appear and show cause why the Federal PRI #1, should not be plugged and abandoned in accordance with a BLM-OCD approved plugging program, or repaired and put back on production.

If you have any questions, please contact this office.

Yours truly,

A handwritten signature in cursive script that reads "Charles Gholson".

Charles Gholson
Oil & Gas Inspector

CG/dj

xc: Richard Stamets
Jeff Taylor
John Keller - BLM Farmington
Well File
Mr. Paul Payne - Producing Royalties Inc.
P.O. Box 1071
Lubbock, TX 75405