OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC NM 87410
(505) 334-6178 FAX: (505) 334-6170
http://emnrd.state.nm.us/ocd/District III/3distric.htm

GARY E. JOHNSON Governor

Jennifer A. Salisbury Cabinet Secretary

March 31, 1999

David Tentler Billco Energy Inc. P.O. Box 1258 Farmington, NM 87499

RE: NIELSON #1 P-03-29N-15W API 30-045-24261

Dear Mr. Tentler:

Our records indicate that the well listed above is inactive and not in compliance with Rule #201.B.

Please submit plans to bring this well into compliance within 30 days. Review Rules #202 and #203 for the necessary filing requirements to plug and abandon or temporarily abandon this well.

Feel free to call me at 334-6178, ext 12, if I can be of any help.

Sincerely,

Bruce Martin

Deputy O&G Inspector

Zruce Month

XC: BM File Well File