



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

November 8, 1996

Rand Carroll
General Counsel
EMNRD
2040 S Pacheco
Santa Fe NM 87505

RE: ~~Ralph Abbott~~ Palmer #1, G-17-29N-13W, 30-045-24691

Dear Rand:

On January 11, 1996, the Palmer #1 was brought to hearing. It was ordered to be plugged and abandoned or returned to production before May 1, 1996. Ralph Abbott has let the lease expire and Paul Palmer has inquired into the possibility of taking it over. He asked for time to test the well for any production. I advised Mr. Palmer that Order #R-10537 requires that the well be plugged and abandoned or returned to production and I would be glad to give him time to test it. I asked Mr. Palmer to notify us in time to witness the test and he said he would talk to us in a few days. Since then Ernie Busch, geologist for our office, has been in contact with Mr. Palmer and he advised Ernie that he had no further interest in producing the well. The Palmer #1 is located approximately 30 yards from an irrigation ditch that leads to the river. A shopping center and a bicycle race track are about 200 yards from the well.

Please start the bid process on the referenced well so that we may properly plug it with the bond from Aetna Casualty and Surety Company.

Sincerely,

Johnny Robinson
Deputy O&G Inspector

JR/sh

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO. 30-045-24691
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		7. Lease Name or Unit Agreement Name 20430 PALMER
1. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER	8. Well No. 1	9. Pool name or Wildcat WEST KUTZ PC
2. Name of Operator ROBERT L. BAYLESS 19418		
3. Address of Operator PO BOX 168 FARMINGTON, NM 87499		
4. Well Location Unit Letter G : 1735 Feet From The NORTH Line and 1695 Feet From The EAST Line Section 17 Township 39N 29N Range 13W NMPM SAN JUAN County		
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 5244 GR		

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: SEE BELOW <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: <input type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

BAYLESS HAS ASSUMED OPERATION AND PLUGGING OBLIGATION EFFECTIVE AS OF 12/9/96.
WE ARE PREPARING TO EVALUATE AND TEST THIS WELL.

Operator Change fr. Ralph Abbott

RECEIVED
MAR 25 1997

OIL CON. DIV.
DIST. I

I hereby certify that the information above is true and complete to the best of my knowledge and belief.		
SIGNATURE <i>Robert L. Bayless</i>	TITLE OWNER/OPERATOR	DATE 5/26/97
TYPE OR PRINT NAME ROBERT L. BAYLESS		TELEPHONE NO. 326-2659
(This space for State Use)		
APPROVED BY <i>Johnny Robinson</i>	TITLE	DATE MAR 25 1997
CONDITIONS OF APPROVAL, IF ANY:		