



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
1235 La Plata Highway
Farmington, New Mexico 87401

IN REPLY REFER TO:
NMSF-078194 (WC)
3162.3-4 (07400)

Amoco Production Co.
Attn: Ms. Patty Haefele
PO Box 800
Denver, CO 80201

Dear Ms. Haefele:

Reference is made to the following wells located in San Juan County, New Mexico, Lease NMSF-078194:

- 1) No. 5-1 Stewart, 1443' FNL & 1710' FEL Sec. 5, T. 29 N., R. 10 W.;
- 2) No. 19-2 Stewart, 1743' FSL & 825' FWL Sec. 19; T. 30 N., R. 10 W.

The subject wells were drilled, cased and cemented, but not completed in the Fruitland Coal formation by McKenzie Methane Corp. in 1992. McKenzie Methane Corp. has since gone into bankruptcy leaving the above mentioned wells uncompleted and without an operator. Therefore, since you are the lessee of the subject lease you are ultimately responsible for any activities on the lease. You are required to submit your plans for these wells.

You have 30 days to comply with this order. The 30 days commences upon receipt of this letter or seven days from the date it is mailed, whichever is less. Failure to comply within the 30 days will result in strict enforcement of 43 CFR 3163.1.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the orders described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such requests shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et seq.

If you have any questions, please contact Stephen Mason with this office at (505) 599-6364.

Sincerely,

Ken Townsend
Senior Technical Advisor
Petroleum Management Team

cc:
Conoco, Inc., Midland, TX

JUL 30 1996 **RECEIVED**
SEP 20 1996

OIL CON. DIV.
DIST. 3

SRBU
RECEIVED

AUG 05 1996

ADMINISTRATIVE GROUP