NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

September 3, 1999

John Caranta
20 Rd 3970
Farmington NM 87401

RE: Caranta #1 J-23-32N-01W, API # 30-039-22806

Dear John:

The above well was brought to hearing on March 21, 1996 and on April 4, 1996. According to order number R 10590 the Caranta #1 was given an extension until August 3, 1996 to either complete the re-entry, drilling and completion operations or plug and abandon the Caranta #1 in accordance with a Division approved plugging program. Since that time the Aztec OCD has tried to work with the operator approving several other extensions. The last extension was September 1, 1998. To this date the well hasn't been completed or plugged.

According to order R 10590 in the event John Caranta fails to complete the re-entry, drilling and completion operations on the Caranta #1, or plug and abandon the Caranta #1, the Division's Aztec District office shall be authorized to direct the commencement of plugging operations on the subject well as soon a possible. If the Caranta #1 is not in compliance with R 10590 by November 5, 1999, the Aztec District Office will commence plugging the Caranta #1 and the Division director will take such action as is deemed necessary to foreclose on the United States Fidelity and Guaranty Company $7,500 plugging bond on which John Caranta is principal to help defer such plugging cost accrued by the Division.

You are hereby ordered to bring this well into compliance before November 5, 1999. Review Rules #202 and #203 for the necessary filing requirements to plug and abandon or temporarily abandon this well. Give this office a minimum notice of 24 hours before any operations begin.

Feel free to call me at 334-6178, ext. 16, if I can be of any help.

Sincerely,

Charlie T. Perrin
Deputy O&G Inspector

CTP/mk

XC: CTP File
     Well File