NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC NM 87410
(505) 334-6176 FAX: (505) 334-6170
http://emnrd.state.nm.us/ocd/District III/3district.htm

GARY E. JOHNSON
Governor

Jennifer A. Salisbury
Cabinet Secretary

October 7, 1999   Certification #P 471 215 242

John Caranta
20 Rd 3785
Farmington NM 87401

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

Dear Mr. Caranta:

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

According to order R-10590 in the event John Caranta fails to complete or plug and abandon the well, the Division's, Aztec District office shall be authorized to direct the commencement of plugging operations on the subject well.

If the well is not in compliance with order R-10590 by November 10, 1999, the Aztec District Office will start procedures to plug the well. The Division Director will take such action as is deemed necessary to foreclose on the United States Fidelity and Guaranty Company's $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 10, 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