



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

AZTEC DISTRICT OFFICE
OIL CONSERVATION DIVISION
1000 RIO BRAZOS ROAD
AZTEC NM 87410-1614
(505) 334-6178 FAX: (505) 334-6178
[http://nemnr.state.nm.us/ocd/District 11/District.htm](http://nemnr.state.nm.us/ocd/District%2011/District.htm)

GARY E. JOHNSON
GOVERNOR

Jennifer A. Salisbury
CABINET SECRETARY

July 14, 1998

John Caranta
20 County Road 3970
Farmington NM 87401

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

Dear John:

The above mentioned 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 a 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 July 1, 1998. To this date the well hasn't been completed or plugged. According to order R10590 in the event John Caranta fails to complete re-entry, drilling and completion operations on the Caranta well no.1 or plug and abandon the Caranta well no.1 the Division's Aztec District Office shall be authorized to direct the commencement of plugging operations on the subject well as soon as possible. If the Caranta well no. 1 is not in compliance with order R10590 by September 1, 1998 the Aztec District Office will commence plugging the Caranta well no. 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. If I can be of any help in this matter feel free to call me at 334-6178.

Sincerely,

Johnny Robinson

cc: United States Fidelity and Guaranty Company
PO Box 1138
Baltimore MD 21203-1138
Attention Eugene Lushbaugh

Rand Carroll, Counsel for NMOCD