



STATE OF NEW MEXICO  
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

December 26, 1990

Robert Finch P.A.  
Court Appointed Trustee  
Lobo Production Company  
210 N. Auburn Avenue  
Farmington, NM 87401

RE: Lobo Production Co.  
Libra #1, C-16-32N-13W  
San Juan County, NM

Dear Mr. Finch:

The Libra #1 well is located on state mineral lease #LG 6557. This lease has reverted to the state. Lobo Production Co. is no longer authorized to operate or produce any well located in section 16-T32N-R13W San Juan County New Mexico. The New Mexico Oil Conservation Division directs Lobo Production Co. to submit a plan for approval to plug the Libra #1 well. Failure to initiate plugging procedures within 60 days will result in a forced plugging by the Oil Conservation Division. An alternative procedure would be to assign the wellbore to a successor lessee. When this lessee posts a bond with the Oil Conservation Division, Lobo's obligations for the Libra #1 wellbore will have been satisfactorily concluded and Lobo's plugging bond can be released. No hydrocarbons or equipment are to be removed from the Libra #1 without permission from the District Office.

Yours truly,

Denny G. Foust  
Deputy Oil & Gas Inspector  
NMOCD District III

DGF:sh

cc: Bob Stovall  
Well File