

WELL PLUGGING COMPANIES

LB Oilfield Services Inc.  
P.O. Box 122  
Midland, TX 79701  
Ph: 915-520-4103

United Oil Services Inc.  
2420 West I-20  
Odessa, TX 79763  
PH: 915-580-0244

Pride Petroleum Service  
P.O. Box 1918  
Hobbs, NM 88240  
Ph: 393-9171  
Ph: 1-800-798-9171

Baber-Gibson Well Services  
P.O. Drawer 310  
Hobbs, NM 88240

Royalty Well Service  
P.O. Box 394  
Grandfalls, TX 79742  
Ph: 915-547-2926

K & R Oil & Gas  
410 N. Atkinson  
Roswell, NM 88201  
Jim Kuykendall 505-623-5593

Mayo Marrs Casing Pullers  
P.O. Box 863  
Kermit, TX 79745  
Ph: 915-586-3076

D A & S Oilfield Services  
P.O. Box 2545  
Hobbs, NM 88240  
Ph: 505-392-6591

Sierra Well Service Inc.  
P.O. Box 10460  
Midland, TX 79701  
PH: 915-688-0160

Odessa, TX  
PH: 915-530-0430  
Mr. Tex Neatherlin

NEW MEXICO OIL CONSERVATION DIVISION  
2040 SOUTH PACHECO  
SANTA FE, NM 87505

FEBRUARY 16, 1996

**Certified Mail**  
**Return Receipt Requested**

Salkar, Inc.  
P.O. Box 1151  
Artesia, NM 88210

The Travelers Indemnity Co.  
PO Box 1201  
Farmington, CT 06034  
RE: Bond No. 427F242-4

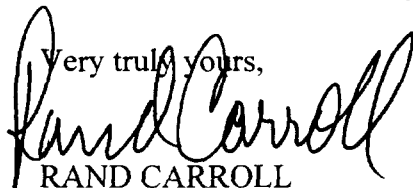
RE: OCD Case No. 11490  
Application of the New Mexico Oil Conservation Division for a Show Cause Hearing  
requiring Salkar, Inc. to appear and show cause why the El Cheapl Well No. 1 located in  
Unit F of Sec.35, T18S, R27E, Eddy., NM should not be plugged and abandoned

Dear Sir/Madam:

This letter is to advise you that the New Mexico Oil Conservation Division has filed the enclosed application seeking a Show Cause Hearing requiring Salkar, Inc. to appear and show cause why it should not be ordered to plug and abandon the above-referenced well.

This application has been set for hearing before an Examiner of the Oil Conservation Division on March 7, 1996. You are not required to attend this hearing, but as an owner of an interest that may be affected by an order issued in this case, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90--- Enclosed) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,  


RAND CARROLL

ATTORNEY FOR THE NEW MEXICO OIL CONSERVATION DIVISION

Enclosures

## CURRENT

COMPANY Salkar Inc.		PROPERTY NAME El Cheapo		WELL NO. 1
DATE	LOCATION ULSTR) F-35-18-27		FOOTAGE 1650 FNL & 1650 FWL	
API NO. 30-015-25238		POOL A-On-Gb. SA		
1. Spot a 40 Sx plug at 1800'. WOC and tag.				
2. Load hole with mud from tag to 680'.				
3. Pull up hole to 680' & fill to surface with cement.				
4. Set dry hole marker, clean & level location.				
Contractor will be responsible for condition of road and pad. Contractor will also handle any salvage.				
CASING RECORD:				
8 5/8 @ 278' C				
4 1/2 @ 2140' C				
TD 2220'				
Top Perf @ 1516'				