

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON  
GOVERNOR

JENNIFER SALISBURY  
CABINET SECRETARY

AUGUST 26, 1997

THE HARLOW CORP.  
119 WEST 15TH  
AMARILLO, TEXAS 79101  
Attn: Mr. W.V. Harlow, Jr.

CERTIFIED # P 194 615 096

Dear Mr. Harlow:

The OIL CONSERVATION DIVISION DISTRICT II office in Artesia, N.M. has received some thirty Form C-104's for change of operator to Willow Pipeline Co. The Harlow Corp. is the operator of record until the C-104's are approved by this office. There are fifteen (½ of total) wells within this package of thirty wells that have not been and are still not in compliance with DIVISION rules. The last response we had from you concerning these noncompliance wells was dated December 12, 1995. The Form C-104's received indicate an change of operator date of March 1, 1996 and the wells are still not in compliance. The C-104 change of operator forms will not be approved and your bond will not be relased until the wells are brought into compliance.

The Harlow Corp. is hereby required to bring these wells into compliance by doing the following: (1) P & A those wells that have no future use, (2) T & A those wells that might have a future use, and (3) Return all shut-in wells to production that are capable of producing. Failure to bring these wells into compliance will result in the foreclosure of your \$50,000 statewide blanket bond.

Advise this office by October 1, 1997 of your plans to bring these wells into compliance.

Attached is a list of wells that our records indicate that are not in compliance.

OIL CONSERVATION DIVISION



TIM W. GUM  
DISTRICT II SUPERVISOR

xc:

WILLIAM J. LEMAY, DIRECTOR

RAND CARROLL, ATTORNEY