



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

December 8, 1999

Arlene Valliquette
Manager-Regulatory Affairs
Merit Energy Company
12222 Merit Drive, Suite 1500
Dallas, TX 75251

RE: **Case No. 12279**---OCD Show Cause Hearing requiring Merit Energy to appear and show cause why certain wells in Eddy County, New Mexico should not be plugged and abandoned

Dear Ms. Valliquette:

Thank you for your prompt attention to this matter once you received notification of its existence. The Division's Artesia District Office has received your plans to plug these wells and will work with you to ensure they are properly plugged. Due to your actions, the Division is **dismissing** this case currently set for December 16, 1999 while reserving the right to refile it if these wells are not plugged within the next few months.

Your Travelers Property Casualty bond will remain on file as surety for Merit's other wells in New Mexico.

If you have any questions, please feel free to call me at 505/827-8156.

Sincerely,
Rand Carroll
Legal Counsel

c: Tim Gum, OCD Artesia District Supervisor

Mike Stubblefield, OCD Artesia

Mike Dill
Bond Claim Manager
Travelers Property Casualty
P.O. Box 3510
Tulsa, OK 74101-3510