



30 015 3823

PRINCIPAL: SALADO OPERATING LLC

149084

SURETY: UNDERWRITERS INDEMNITY CO.

BOND NO.: BO 5543

DN 248085

TYPE: \$5,000 ONE--WELL

APPROVED: OCTOBER 19, 1995

CANCELLED:

WELL LOCATION: 2970' FSL AND 1650' FEL OF SEC. 2,
T-16-S, R-30-E, EDDY COUNTY

BEFORE EXAMINED BY ANACH

OIL COMMISSION

OCD

IA

CASE NO.

12438

October 19, 1995

Salado Operating, LLC
PO Box 1925
Hobbs, NM 88241

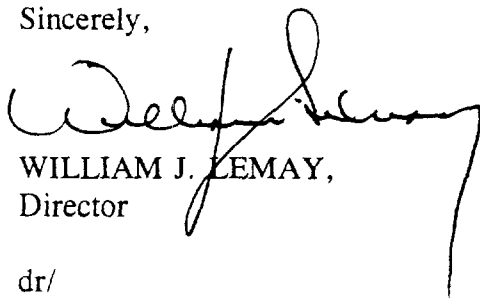
Attention: Allen Hodge

Re: \$5,000 One-Well Plugging Bond
Salado Operating, LLC
Underwriters Indemnity Co., Surety
2970' FSL and 1650' FEL of Sec. 2,
T-16-S, R-30-E, Eddy County
Bond No. BO 5543

Dear Mr. Hodge:

The Oil Conservation Division hereby approves the above-referenced one-well plugging bond.

Sincerely,



WILLIAM J. LEMAY,
Director

dr/

cc: Oil Conservation Division
Artesia, New Mexico

Underwriters Indemnity Co.

October 19, 1995

Salado Operating, LLC
PO Box 1925
Hobbs, NM 88241

Attention: Allen Hodge

Re: \$5,000 One-Well Plugging Bond
Salado Operating, LLC
Underwriters Indemnity Co., Surety
2970' FSL and 1650' FEL of Sec. 2,
T-16-S, R-30-E, Eddy County
Bond No. BO 5543

Dear Mr. Hodge:

The Oil Conservation Division hereby approves the above-referenced one-well plugging bond.

Sincerely,



WILLIAM J. LEMAY,
Director

dr/

cc: Oil Conservation Division
Artesia, New Mexico

Underwriters Indemnity Co.

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brango Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-104
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator Name and Address SALADO OPERATING L.L.C. PO BOX 1925 HOBBS NM 88241		OGRID Number 149084
		Reason for Filing Code C H 10-1-95
API Number 30-015-03823	Pool Name HENSHAW GRAYBURG WEST	Pool Code 30599
Property Code	Property Name EAST HENSHAW UNIT	Well Number 006

II. ¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	02	16S	30E		2970	S	1650	E	015

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	02	16S	30E		2970	S	1650	E	015
Lee Code S	Producing Method Code P	Gas Connection Date		C-129 Permit Number		C-129 Effective Date		C-129 Expiration Date	

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
015694	NAVAJO REFINING CO. PO DRAWER 159 ARTESIA NM 88211-1059	944410	0	

IV. Produced Water

POD 944450	POD ULSTR Location and Description I-02-16S-30E
---------------	----------------------------------------------------

V. Well Completion Data

Spud Date	Ready Date	TD	PBTD	Perforations
Hole Size	Casing & Tubing Size	Depth Set	Sacks Cement	

VI. Well Test Data

Date New Oil	Gas Delivery Date	Test Date	Test Length	Tbg. Pressure	Csg. Pressure
Choke Size	Oil	Water	Gas	AOF	Test Method

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Allen Hodge</i>		OIL CONSERVATION DIVISION	
Printed name: ALLEN HODGE		Approved by:	
Title: MANAGER		Approval Date:	
Date: 10-1-95	Phone: 505/392-9545		
If this is a change of operator fill in the OGRID number and name of the previous operator-- ROYAL OIL LTD. Co. OGRID NO 37375			
Previous Operator Signature: <i>W. R. Erickson</i>		Printed Name: W. R. ERICKSEN	
		Title: AGENT	
		Date: 10-1-95	

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Bravo Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-104
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address SALADO OPERATING L.L.C. PO BOX 1925 HOBBS NM 88241		OGRID Number 149084
		Reason for Filing Code C H 10-1-95
API Number 30-015-03823	Pool Name HENSHAW GRAYBURG WEST	Pool Code 30599
Property Code 017782	Property Name EAST HENSHAW UNIT TR. 15	Well Number 006

II. ¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
0	02	16S	30E		2970	S	1650	E	015

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	02	16S	30E		2970	S	1650	E	015

" Loc Code	" Producing Method Code	" Gas Connection Date	" C-129 Permit Number	" C-129 Effective Date	" C-129 Expiration Date
S	P				

III. Oil and Gas Transporters

" Transporter OGRID	" Transporter Name and Address	" POD	" O/G	" POD ULSTR Location and Description
015694	NAVAJO REFINING CO. PO DRAWER 159 ARTESIA NM 88211-1059	944410	0	

IV. Produced Water

" POD	" POD ULSTR Location and Description
944450	I-02-16S-30E

V. Well Completion Data

" Spud Date	" Ready Date	" TD	" PSTD	" Perforations
" Hole Size	" Casing & Tubing Size	" Depth Set	" Sacks Cement	
			Perf ID-3	
			11-3-95	
			chg up	

VI. Well Test Data

" Date New Oil	" Gas Delivery Date	" Test Date	" Test Length	" Tbg. Pressure	" Csg. Pressure
" Choke Size	" Oil	" Water	" Gas	" AOF	" Test Method

" I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name:

Title:

Date:

Allen Hodge

MANAGER

10-1-95

Phone: 505/392-9545

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

SUPERVISOR, DISTRICT II

OCT 23 1995

" If this is a change of operator fill in the OGRID number and name of the previous operator-

KOPAL OIL LTD. CO. OGRID NO 37375

Previous Operator Signature

Printed Name-

Title-

Date-

WILFRIKSEN

AGENT

10-1-95

CMD : ONGARD 08/30/99 15:49:35
OG6CBBD CAPTURE BLANKET BONDS OGOMCS -TPEZ

OGRID Identifier : 11830 Bond Idn : 10245 Bond Status : A
Operator Name, Address : J & G ENTERPRISE LTD. CO.
PO BOX 100
ARTESIA,NM 88210

Bond Details - Type (Cash/Surety - C/S) : C Bond Co Idn : 13 Amount : 50000
Company OGRID Identifier : 26396
Company Name, Address : WESTERN BANK OF ARTESIA
P O DRAWER 500
ARTESIA,NM 88210

Limited as to future Liability (Y/N) : N If Limited, End Date :

Effective Date : 01-01-1900 Cancellation Date : 05-13-1998

Issuer Bond No : OCD-277

E7024: Only view is allowed

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 COMMENT	PF10 NXTBOND	PF11	PF12

New Mexico
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON
Governor

JENNIFER SALISBURY
Cabinet Secretary

1-2-98

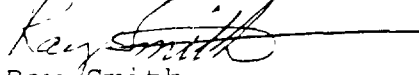
Rand Carroll, Legal Bureau
Oil Conservation Division
2040 So. Pacheco Street
Santa Fe, NM. 87505

Re; Well Plugging; Salado Operating L.L.C, P.O.Box 1925
Hobbs, NM. 88241

Dear Rand;

We recommend the following list of wells be plugged to
protect fresh waters of the state of New Mexico, the
environment and correlative rights in the area.

Yours truly,


Ray Smith

Salado Operating L.L.C. East Henshaw Unit

Tract 24-	1	Sec. 2-16-30	Ut. O
Tract 10-	4	Sec. 2-16-30	Ut. I
Tract 15-	6	Sec. 2-16-30	Ut. O
Tract 9-	7	Sec. 2-16-30	Ut. J

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON
GOVERNOR

JENNIFER SALISBURY
CABINET SECRETARY

7-31-97
Salado Operating L.L.C.
P.O.Box 1925
Hobbs, NM.88241

Re; Properly Abandoned Wells; Salado Operating East Henshaw Unit

Dear Sir;

The State of New Mexico is in the process at this time of reviewing leases to determine the number of abandoned and shut in wells.

Rule 201 A. states " The operator of any well drilled for oil, gas or injection, for seismic, core or other exploration, or for a service well, whether cased or uncased, shall be responsible for the plugging thereof.

Rule 201 B. A well shall be either properly plugged and abandoned or temporarily abandoned in accordance with these rules within (90) days after (1) a 60 day period following suspension of drilling. (2) A determination that the well is no longer usable for beneficial purposes. (3) A period of 1 year in which a well has been continuously inactive.

House Bill 65 has been passed by the legislature and provides some tax incentives for wells put back in production. However, if there are no plans to put this well back in service then it needs to be either plugged or properly temporarily abandoned.

Our records show no production or injection on the following list of wells at least as far back as 1994. Please forward to the NMOCD office in Artesia by September 15, 1997 a plan to bring these wells into compliance with Rule 201.

Yours truly,



Tim Gum

East Henshaw Unit

Tract 24-1 ut, O sec.2-16-30
Tract 10-4 ut, I sec.2-16-30
Tract 15-6 ut, O sec.2-16-30
Tract 9-7 ut, J sec.2-16-30

New Mexico
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON
Governor

JENNIFER SALISBURY
Cabinet Secretary

1-23-98

Mr. Allen Hodge
Salado Operating L.L.C.
P.O.Box 1925
Hobbs, NM. 88241

Re: Shut in wells.

Dear Allen;

For your convenience a copy of my first letter in regard to your shut in wells is enclosed. Because there was no response from you on this matter Ray Smith contacted you by phone October 7, 1997 and you assured him you would send us your plan to address this problem. Because there has been no response from you, I have instructed Ray to ask our legal department in Santa Fe to schedule a hearing so you may appear and show cause why these wells should not be plugged.

Yours truly,


Tim Gum

30-015-03043

2970 S / 1650 E - 2-16-30

Salado Operating L.L.C.

East Henshaw UT Tr. 15 #6

Before

1. Run + set CIBP @ 2890' w/ 35' cement.
or Run tubing to 2890'
Set 25 sx cement Plug 2890' - 2790'. TAG

2. Circulate brine gel.

3. Perforate 2 7/8" casing @ 1510'

4. Run packer. Squeeze cement
100' cement Plug inside + outside 2 7/8" casing. TAG

5. Set Tubing @ 500'.
Circulate cement to surface.

6. Cut + level all surface pits,
Cut dead men, clear junk from location,
Erect dry hole marker.

= Perfs. @ 90'-95'

7 7/8" hole

2 7/8" casing

set @ 3009'

Cmtd w/ 250 sx 1" from 500' to surface.

Temp. Survey To

2020' 500' to surface.

20-015-03823
2970 S / 1650 E - 2-16-30
Salado Operating L.L.C.
East Henshaw UT Tr. 15 #6

After

1. Run + set CIBP @ 2890' w/ 35' cement.
or Run tubing to 2890'.
Set 25 sx cement Plug 2890' - 2790'. TAG
2. Circulate brine gel.
3. Perforate 2 7/8" casing @ 1510'
4. Run packer. Squeeze cement
100' cement Plug inside + outside 2 7/8" casing. TAG
5. Set tubing @ 500'.
Circulate cement to surface.
6. Cut + level all surface pits,
Cut dead men, clear junk from location,
Erect dry hole marker.

7 7/8" hole
2 7/8" casing
Set @ 3009'.
mited w/ 250 sx 1" from 500' to surface.
Emp. Survey Toc
020' 500' to surface.

30 015 03821
PRINCIPAL: SALADO OPERATING LLC 149084
SURETY: UNDERWRITERS INDEMNITY CO.
BOND NO.: BO 5544
TYPE: \$5,000 ONE-WELL IDN 248084
APPROVED: OCTOBER 19, 1995
CANCELLED:
WELL LOCATION: 3654' FNL AND 330' FEL OF SEC. 2,
T-16-S, R-30-E, EDDY COUNTY

October 19, 1995

Salado Operating, LLC
PO Box 1925
Hobbs, NM 88241

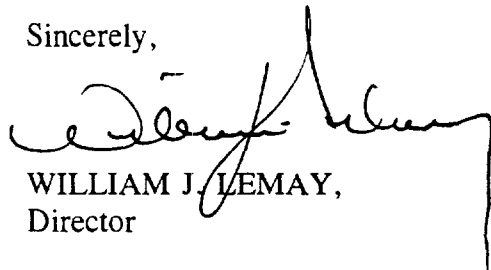
Attention: Allen Hodge

Re: \$5,000 One-Well Plugging Bond
Salado Operating, LLC
Underwriters Indemnity Co., Surety
3654.5' FNL and 330' FEL of Sec. 2,
T-16-S, R-30-E, Eddy County
Bond No. BO 5544

Dear Mr. Hodge:

The Oil Conservation Division hereby approves the above-referenced one-well plugging bond.

Sincerely,



WILLIAM J. LEMAY,
Director

dr/

cc: Oil Conservation Division
Artesia, New Mexico

Underwriters Indemnity Co.

October 19, 1995

Salado Operating, LLC
PO Box 1925
Hobbs, NM 88241

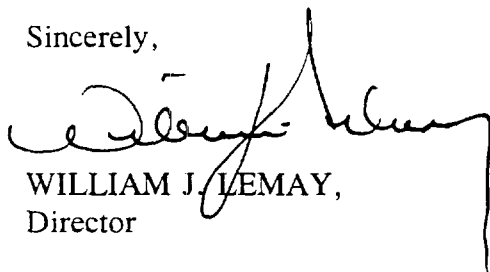
Attention: Allen Hodge

Re: \$5,000 One-Well Plugging Bond
Salado Operating, LLC
Underwriters Indemnity Co., Surety
3654.5' FNL and 330' FEL of Sec. 2,
T-16-S, R-30-E, Eddy County
Bond No. BO 5544

Dear Mr. Hodge:

The Oil Conservation Division hereby approves the above-referenced one-well plugging bond.

Sincerely,



WILLIAM J. LEMAY,
Director

dr/

cc: Oil Conservation Division
Artesia, New Mexico

Underwriters Indemnity Co.

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Bravo Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-104
Revised February 10, 1974
Instructions on back
Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address SALADO OPERATING L.L.C. PO BOX 1925 HOBBS NM 88241		OGRID Number 149084
		Reason for Filing Code C H 10-1-95
API Number 30-015-03821	Pool Name HENSHAW GRAYBURG WEST	Pool Code 30599
Property Code	Property Name EAST HENSHAW UNIT	Well Number 004

II. ¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot/Idn	Feet from the	North/South Line	Feet from the	East/West line	County
9	2	16S	30E		3654.5	N	330	E	015

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
9	2	16S	30E		3654.5	N	330	E	015
Lee Code S	Producing Method Code P	Gas Connection Date	C-129 Permit Number :	C-129 Effective Date	C-129 Expiration Date				

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
015694	NAVAJO REFINING CO. PO DRAWER 159 ARTESIA NM 88211-0159	944410	0	

IV. Produced Water

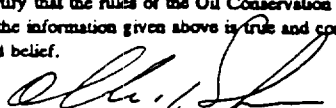
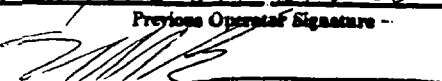
POD	POD ULSTR Location and Description
944450	I-02-16S-30E

V. Well Completion Data

Spud Date	Ready Date	TD	PSTD	Perforations
Hole Size	Casing & Tubing Size	Depth Set	Sacks Cement	

VI. Well Test Data

Date New Oil	Gas Delivery Date	Test Date	Test Length	Tbg. Pressure	Csg. Pressure
Choke Size	Oil	Water	Gas	AOF	Test Method

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: 		OIL CONSERVATION DIVISION	
Printed name: ALLEN HODGE		Approved by:	
Title: MANAGER		Title:	
Date: 10-1-95		Approval Date:	
Phone: (505) 392-9545			
If this is a change of operator fill in the OGRID number and name of the previous operator: ROMAL OIL LTD CO OGRID NO 37375			
Previous Operator Signature: 		Printed Name: A.R. ERICKSEN	
		Title: AGENT	
		Date: 10-1-95	

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Bravo Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-104
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address SALADO OPERATING L.L.C. PO BOX 1925 HOBBS NM 88241		OGRID Number 149084
		Reason for Filing Code CH 10-1-95
API Number 30-015-03821	Pool Name HENSHAW GRAYBURG WEST	Pool Code 30599
Property Code 017782	Property Name EAST HENSHAW UNIT TR-10	Well Number 004

II. Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South Line	Feet from the	East/West line	County
9	2	16S	30E		3654.5	N	330	E	015

Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
9	2	16S	30E		3654.5	N	330	E	015
Lee Code S	Producing Method Code P	Gas Connection Date	C-129 Permit Number	C-129 Effective Date	C-129 Expiration Date				

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
015694	NAVAJO REFINING CO. PO DRAWER 159 ARTESIA NM 88211-0159	944410	0	

IV. Produced Water

POD 944450	POD ULSTR Location and Description I-02-16S-30E
---------------	----------------------------------------------------

V. Well Completion Data

Spud Date	Ready Date	TD	PBTD	Perforations
Hole Size	Casing & Tubing Size	Depth Set	Sacks Cement	

VI. Well Test Data

Date New Oil	Gas Delivery Date	Test Date	Test Length	Tbg. Pressure	Csg. Pressure
Choke Size	Oil	Water	Gas	AOF	Test Method

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name:

Title:

Date:

ALLEN HODGE

MANAGER

10-1-95

Phone (505) 392-9545

OIL CONSERVATION DIVISION

Approved by:

SUPERVISOR, DISTRICT II

Title:

Approval Date:

OCT 23 1995

If this is a change of operator fill in the OGRID number and name of the previous operator

ROYAL OIL LTD OGRID NO 37375

Previous Operator Signature

Printed Name

Title

Date

AL ERICKSEN

AGENT 10-1-95

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON
GOVERNOR

JENNIFER SALISBURY
CABINET SECRETARY

7-31-97
Salado Operating L.L.C.
P.O.Box 1925
Hobbs, NM.88241

Re; Properly Abandoned Wells; Salado Operating East Henshaw Unit

Dear Sir;

The State of New Mexico is in the process at this time of reviewing leases to determine the number of abandoned and shut in wells.

Rule 201 A. states " The operator of any well drilled for oil, gas or injection, for seismic, core or other exploration, or for a service well, whether cased or uncased, shall be responsible for the plugging thereof.

Rule 201 B. A well shall be either properly plugged and abandoned or temporarily abandoned in accordance with these rules within (90) days after (1) a 60 day period following suspension of drilling. (2) A determination that the well is no longer usable for beneficial purposes. (3) A period of 1 year in which a well has been continuously inactive.

House Bill 65 has been passed by the legislature and provides some tax incentives for wells put back in production. However, if there are no plans to put this well back in service then it needs to be either plugged or properly temporarily abandoned.

Our records show no production or injection on the following list of wells at least as far back as 1994. Please forward to the NMOCD office in Artesia by September 15, 1997 a plan to bring these wells into compliance with Rule 201.

Yours truly,



Tim Gum

East Henshaw Unit

Tract 24-1 ut, O sec.2-16-30
Tract 10-4 ut, I sec.2-16-30
Tract 15-6 ut, O sec.2-16-30
Tract 9-7 ut, J sec.2-16-30

New Mexico
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON
Governor

JENNIFER SALISBURY
Cabinet Secretary

1-23-98

Mr. Allen Hodge
Salado Operating L.L.C.
P.O.Box 1925
Hobbs, NM. 88241

Re: Shut in wells.

Dear Allen;

For your convenience a copy of my first letter in regard to your shut in wells is enclosed. Because there was no response from you on this matter Ray Smith contacted you by phone October 7, 1997 and you assured him you would send us your plan to address this problem. Because there has been no response from you, I have instructed Ray to ask our legal department in Santa Fe to schedule a hearing so you may appear and show cause why these wells should not be plugged.

Yours truly,


Tim Gum

New Mexico
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON
Governor

JENNIFER SALISBURY
Cabinet Secretary

1-2-98

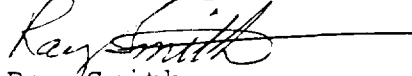
Rand Carroll, Legal Bureau
Oil Conservation Division
2040 So. Pacheco Street
Santa Fe, NM. 87505

Re; Well Plugging; Salado Operating L.L.C, P.O.Box 1925
Hobbs, NM. 88241

Dear Rand;

We recommend the following list of wells be plugged to
protect fresh waters of the state of New Mexico, the
environment and correlative rights in the area.

Yours truly,


Ray Smith

Salado Operating L.L.C. East Henshaw Unit

Tract 24-	1	Sec. 2-16-30	Ut. O
Tract 10-	4	Sec. 2-16-30	Ut. I
Tract 15-	6	Sec. 2-16-30	Ut. O
Tract 9-	7	Sec. 2-16-30	Ut. J

CMD :
OG6CBBD

ONGARD
CAPTURE BLANKET BONDS

08/30/99 15:49:35
OGOMCS -TPEZ

OGRID Identifier : 11830 Bond Idn : 10245 Bond Status : A
Operator Name, Address : J & G ENTERPRISE LTD. CO.
PO BOX 100
ARTESIA,NM 88210

Bond Details - Type (Cash/Surety - C/S) : C Bond Co Idn : 13 Amount : 50000
Company OGRID Identifier : 26396
Company Name, Address : WESTERN BANK OF ARTESIA
P O DRAWER 500
ARTESIA,NM 88210

Limited as to future Liability (Y/N) : N If Limited, End Date :

Effective Date : 01-01-1900 Cancellation Date : 05-13-1998

Issuer Bond No : OCD-277

E7024: Only view is allowed

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 COMMENT	PF10 NXTBOND	PF11	PF12

50-015-03821
3654'N/330'E - 2-16-30
SaLado Operating L.L.C.
East Henshaw UT Tr. 10 #4

Before

1. Run & set CIBP @ 2891' w/35' cement.
or Run tubing to 2891'
Set 25 sk cement @ 2891'-2791'. TA4

2. Circulate brine gel.

3. Perforate 2 7/8" casing @ 1520'.

4. Run packer. Squeeze cement
100' cement Plug inside & outside 2 7/8" casing. TA4

5. Perforate 2 7/8" casing @ 500'

6. Circulate cement to surface
Inside & outside 2 7/8" casing.
Pull tubing & Top off cement to surface.

8. Cut & level all surface pits
Cut dead men, clear location of junk.
Erect dry hole marker.

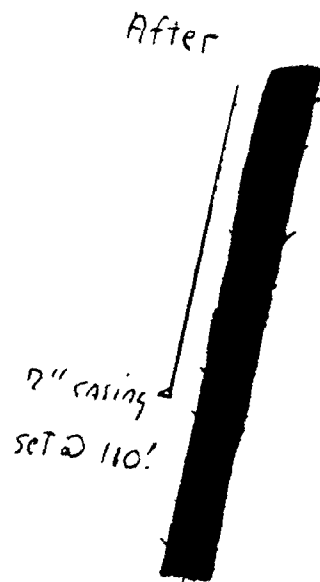
6 1/4" hole ± Perfs 2991'-3001'

2 7/8" casing
set @ 3142'

cmtd w/2005X

Temp. Survey ToC
2070'

30-015-03821
3654'N/330'E-2-16-30
Salado Operating L.L.C.
East Henshaw UT Tr. 10 #4



1. Run + set CIBP @ 2891' w/35' cement.
or Run tubing to 2891'
Set 25 sk cement @ 2891'-2791'. TAG

2. Circulate brine gel.

3. Perforate 2 7/8" casing @ 1520'.

4. Run packer. Squeeze cement
100' cement Plug inside + outside 2 7/8" casing. TAG

5. Perforate 2 7/8" casing @ 500'

6. Circulate cement to surface
Inside + outside 2 7/8" casing.
Pull tubing + Top off cement to surface.

8. Cut + level all surface pits
Cut dead men, clear location of junk.
Erect dry hole marker.

1/4" hole
Perfs 2991'-3001'

2 7/8" casing
@ 3147'
w/2005X
p. Survey Toc
0'

30 013 050-5
PRINCIPAL: SALADO OPERATING LLC 149084

SURETY: UNDERWRITERS INDEMNITY CO.

BOND NO.: B0 5545

TYPE: \$5,000 ONE-WELL IDN 248083

APPROVED: OCTOBER 19, 1995

CANCELLED:

WELL LOCATION: 1980' FSL AND 660' FEL OF SEC. 2,
T-16-S, R-30-E, EDDY COUNTY

NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

October 19, 1995

Salado Operating, LLC
PO Box 1925
Hobbs, NM 88241

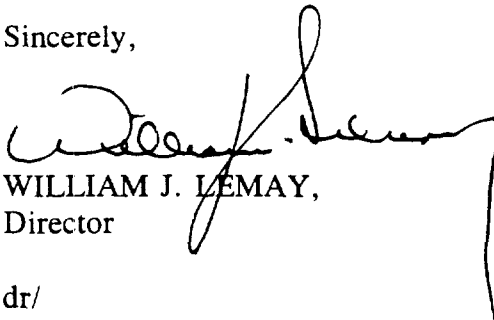
Attention: Allen Hodge

Re: \$5,000 One-Well Plugging Bond
Salado Operating, LLC
Underwriters Indemnity Co., Surety
1980' FSL and 660' FEL of Sec. 2,
T-16-S, R-30-E, Eddy County
Bond No. BO 5545

Dear Mr. Hodge:

The Oil Conservation Division hereby approves the above-referenced one-well plugging bond.

Sincerely,



WILLIAM J. LEMAY,
Director

dr/

cc: Oil Conservation Division
Artesia, New Mexico

Underwriters Indemnity Co.

October 19, 1995

Salado Operating, LLC
PO Box 1925
Hobbs, NM 88241

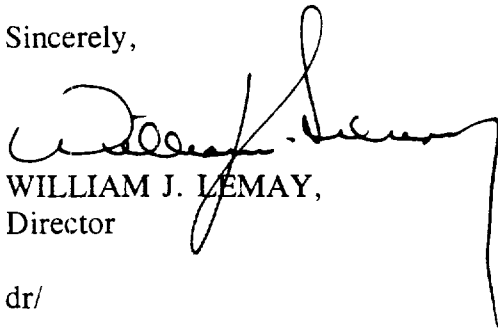
Attention: Allen Hodge

Re: \$5,000 One-Well Plugging Bond
Salado Operating, LLC
Underwriters Indemnity Co., Surety
1980' FSL and 660' FEL of Sec. 2,
T-16-S, R-30-E, Eddy County
Bond No. BO 5545

Dear Mr. Hodge:

The Oil Conservation Division hereby approves the above-referenced one-well plugging bond.

Sincerely,



WILLIAM J. LEMAY,
Director

dr/

cc: Oil Conservation Division
Artesia, New Mexico

Underwriters Indemnity Co.

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Bravo Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-104
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address SALADO OPERATING L.L.C. PO BOX 1925 HOBBS NM 88241		OGRID Number 149084
		Reason for Filing Code CH 10-1-95
API Number 30-0 15-03825	Pool Name HENSHAW GRAYBURG WEST	Pool Code 30599
Property Code	Property Name EAST HENSHAW UNIT	Well Number 001

II. ¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
Q	2	16S	30E		1980	S	660	E	015

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Q	2	16S	30E		1980	S	660	E	015
Lee Code S	Producing Method Code TA	Gas Connection Date	C-129 Permit Number	C-129 Effective Date	C-129 Expiration Date				

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
015694	NAVAJO REFINING CO. PO DRAWER 159 ARTESIA NM 88211-1059	944410	0	

IV. Produced Water

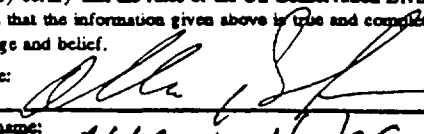
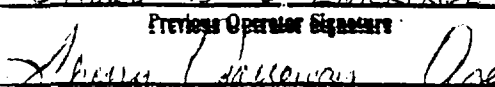
POD	POD ULSTR Location and Description
944450	I-02-16S-30E

V. Well Completion Data

Spud Date	Ready Date	TD	PBTD	Perforations
Hole Size	Casing & Tubing Size	Depth Set	Sacks Cement	

VI. Well Test Data

Date New Oil	Gas Delivery Date	Test Date	Test Length	Tbg. Pressure	Csg. Pressure
Choke Size	Oil	Water	Gas	AOF	Test Method

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: 		OIL CONSERVATION DIVISION	
Printed name: ALLEN J. GALLOWAY		Approved by:	
Title: MANAGER		Title:	
Date: 10-1-95		Approval Date:	
Phone: 505-392-9545			
If this is a change of operator fill in the OGRID number and name of the previous operator: H011830 JIG ENTERPRISE LTD. Co.			
Previous Operator Signature: 		Printed Name: SHERY GALLOWAY	
		Title: AGENT	
		Date: 10-1-95	

Drawer DD, Artesia, NM 88211-0779
District III
400 Rio Brava Rd., Aztec, NM 87410
District IV
Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Instructions on back
Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address SALADO OPERATING L.L.C. PO BOX 1925 HOBBS NM 88241		OGRID Number 149084
		Reason for Filing Code CH 10-1-95
API Number 30-0 15-03825	Pool Name HENSHAW GRAYBURG WEST	Pool Code 30599
Property Code 017782	Property Name EAST HENSHAW UNIT TR. 25	Well Number 001

I. Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South Line	Feet from the	East/West line	County
Q	2	16S	30E		1980	S	660	E	015

II Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
Q	2	16S	30E		1980	S	660	E	015

Lac Code	Producing Method Code	Gas Connection Date	C-129 Permit Number	C-129 Effective Date	C-129 Expiration Date
S	TA				

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
015694	NAVAJO REFINING CO. PO DRAWER 159 ARTESIA NM 88211-1059	944410	0	

IV. Produced Water

POD	POD ULSTR Location and Description
944450	I-02-16S-30E

V. Well Completion Data

Spud Date	Ready Date	TD	PBTD	Perforations
Hole Size	Casing & Tubing Size	Depth Set	Sacks Cement	

VI. Well Test Data

Date New Oil	Gas Delivery Date	Test Date	Test Length	Tbg. Pressure	Csg. Pressure
Choke Size	Oil	Water	Gas	AOF	Test Method

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Allen Lodge</i>		OIL CONSERVATION DIVISION Approved by: SUPERVISOR, DISTRICT II Title: Approval Date: OCT 23 1995	
Printed name: ALLEN LODGE			
Title: MANAGER			
Date: 10-1-95	Phone: 505-392-9545		

If this is a change of operator fill in the OGRID number and name of the previous operator: FC11830 JIC ENTERPRISE LTD. Co.			
Previous Operator Signature <i>Sherry Callaway</i>	Printed Name: SHERY CALLAWAY	Title: AGENT	Date: 10-1-95

CMD : ONGARD 08/30/99 15:49:35
OG6CBBD CAPTURE BLANKET BONDS OGOMCS -TPEZ

OGRID Identifier : 11830 Bond Idn : 10245 Bond Status : A
Operator Name, Address : J & G ENTERPRISE LTD. CO.
PO BOX 100
ARTESIA,NM 88210

Bond Details - Type (Cash/Surety - C/S) : C Bond Co Idn : 13 Amount : 50000
Company OGRID Identifier : 26396
Company Name, Address : WESTERN BANK OF ARTESIA
P O DRAWER 500
ARTESIA,NM 88210

Limited as to future Liability (Y/N) : N If Limited, End Date :
Effective Date : 01-01-1900 Cancellation Date : 05-13-1998
Issuer Bond No : OCD-277

E7024: Only view is allowed

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 COMMENT	PF10 NXTBOND	PF11	PF12

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON
GOVERNOR

JENNIFER SALISBURY
CABINET SECRETARY

7-31-97
Salado Operating L.L.C.
P.O.Box 1925
Hobbs, NM.88241

Re; Properly Abandoned Wells; Salado Operating East Henshaw Unit

Dear Sir;

The State of New Mexico is in the process at this time of reviewing leases to determine the number of abandoned and shut in wells.

Rule 201 A. states " The operator of any well drilled for oil, gas or injection, for seismic, core or other exploration, or for a service well, whether cased or uncased, shall be responsible for the plugging thereof.

Rule 201 B. A well shall be either properly plugged and abandoned or temporarily abandoned in accordance with these rules within (90) days after (1) a 60 day period following suspension of drilling. (2) A determination that the well is no longer usable for beneficial purposes. (3) A period of 1 year in which a well has been continuously inactive.

House Bill 65 has been passed by the legislature and provides some tax incentives for wells put back in production. However, if there are no plans to put this well back in service then it needs to be either plugged or properly temporarily abandoned.

Our records show no production or injection on the following list of wells at least as far back as 1994. Please forward to the NMOCD office in Artesia by September 15, 1997 a plan to bring these wells into compliance with Rule 201.

Yours truly,



Tim Gum

East Henshaw Unit

Tract 24-1 ut, O sec.2-16-30
Tract 10-4 ut, I sec.2-16-30
Tract 15-6 ut, O sec.2-16-30
Tract 9-7 ut, J sec.2-16-30

New Mexico
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON
Governor

JENNIFER SALISBURY
Cabinet Secretary

1-23-98

Mr. Allen Hodge
Salado Operating L.L.C.
P.O.Box 1925
Hobbs, NM. 88241

Re: Shut in wells.

Dear Allen;

For your convenience a copy of my first letter in regard to your shut in wells is enclosed. Because there was no response from you on this matter Ray Smith contacted you by phone October 7, 1997 and you assured him you would send us your plan to address this problem. Because there has been no response from you, I have instructed Ray to ask our legal department in Santa Fe to schedule a hearing so you may appear and show cause why these wells should not be plugged.

Yours truly,


Tim Gum

New Mexico
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON
Governor

JENNIFER SALISBURY
Cabinet Secretary

1-2-98

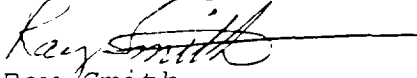
Rand Carroll, Legal Bureau
Oil Conservation Division
2040 So. Pacheco Street
Santa Fe, NM. 87505

Re; Well Plugging; Salado Operating L.L.C, P.O.Box 1925
Hobbs, NM. 88241

Dear Rand;

We recommend the following list of wells be plugged to
protect fresh waters of the state of New Mexico, the
environment and correlative rights in the area.

Yours truly,


Ray Smith

Salado Operating L.L.C. East Henshaw Unit

Tract 24-	1	Sec. 2-16-30	Ut. O
Tract 10-	4	Sec. 2-16-30	Ut. I
Tract 15-	6	Sec. 2-16-30	Ut. O
Tract 9-	7	Sec. 2-16-30	Ut. J

30-015-03825

1980'S / 660'E - 2-16-30

Salado Op. LLC.

E. Henshaw Ut. Tr. 24 #1

Before

1. Run + Set CIBP w/35' cement @ 2921'
or Run tubing to 2921'
Set 255x cement Plug 2921'-2821'. TAG

2. Circulate brine gel.

3. Perforate 2 7/8" casing @ 1537'.

4. Run Packer + Squeeze
100' cement Plug inside + outside
2 7/8" casing. TAG

5. Set tubing @ 500'.
Circulate cement to surface.
Pull tubing + top off cement to surface.

6. Cut + level all surface pits,
cut deadmen, clear location of junk.

± Perfs 3021'-28'. Erect dry hole marker.

7 7/8" hole

2 7/8" csq
set @ 3075'

Cntd w/2505x 1" 500' to surface.

Temp. survey TOC

1825' 500' to surface.

30-015-03825

1980'S / 660'E - 2-16-30

Salado Op. LLC.

E. Henshaw Ut. Tr. 24 #1

After

1. Run + Set CIBP w/35' cement @ 2921'
or Run tubing to 2921'
Set 25sx cement Plug 2921'-2821'. TAG

2. Circulate brine gel.

3. Perforate 2 7/8" casing @ 1532'.

4. Run Packer + Squeeze
100' cement Plug inside + outside
2 7/8" casing. TAG

5. Set tubing @ 500'.
Circulate cement to surface.
Pull tubing + Top off cement to surface.

6. Cut + level all surface pits,
cut deadmen, clear location of junk.
Erect dry hole marker.

7 7/8" hole

Perfs 3021'-28'

2 7/8" csq
set @ 3075'

Cntd w/250sx 1" 500' to surface
Temp. survey TOC
1825' 500' to surface.

Shu
Nells 392-9545

Allen

Hodge

P O Box 1816
Lakes

8F241-1816

30015 03824

PRINCIPAL: SALADO OPERATING LLC 149084

SURETY: UNDERWRITERS INDEMNITY CO.

BOND NO.: BO 5546

TYPE: \$5,000 ONE-WELL 10N 24P 086

APPROVED: OCTOBER 19, 1995

CANCELLED:

WELL LOCATION: 3654' FNL AND 1650' FEL OF SEC. 2,
T-16-S, R-30-E, EDDY COUNTY

October 19, 1995

Salado Operating, LLC
PO Box 1925
Hobbs, NM 88241

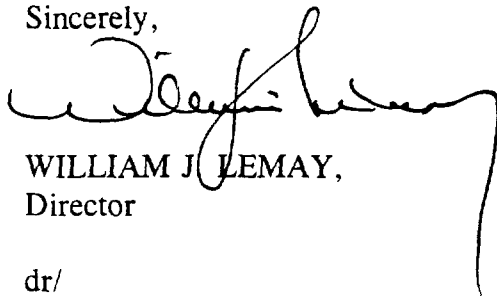
Attention: Allen Hodge

Re: \$5,000 One-Well Plugging Bond
Salado Operating, LLC
Underwriters Indemnity Co., Surety
3654.5' FNL and 1650' FEL of Sec. 2,
T-16-S, R-30-E, Eddy County
Bond No. BO 5546

Dear Mr. Hodge:

The Oil Conservation Division hereby approves the above-referenced one-well plugging bond.

Sincerely,



WILLIAM J. LEMAY,
Director

dr/

cc: Oil Conservation Division
Artesia, New Mexico

Underwriters Indemnity Co.

NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

October 19, 1995

Salado Operating, LLC
PO Box 1925
Hobbs, NM 88241

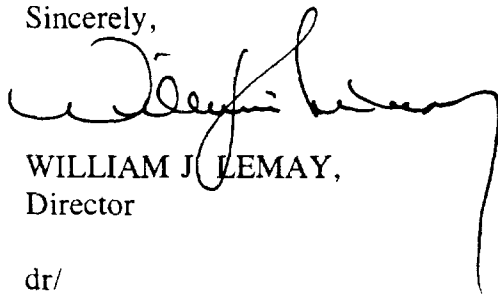
Attention: Allen Hodge

Re: \$5,000 One-Well Plugging Bond
Salado Operating, LLC
Underwriters Indemnity Co., Surety
3654.5' FNL and 1650' FEL of Sec. 2,
T-16-S, R-30-E, Eddy County
Bond No. BO 5546

Dear Mr. Hodge:

The Oil Conservation Division hereby approves the above-referenced one-well plugging bond.

Sincerely,



WILLIAM J. LEMAY,
Director

dr/

cc: Oil Conservation Division
Artesia, New Mexico

Underwriters Indemnity Co.

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-104
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address SALADO OPERATING L.L.C. PO BOX 1925 HOBBS NM 88241		OGRID Number 149084
		Reason for Filing Code C H 10-1-95
API Number 30-015-106	Pool Name HENSHAW GRAYBURG WEST	Pool Code 30599
Property Code	Property Name EAST HENSHAW UNIT	Well Number 007

II. ¹⁰ Surface Location

UL or lot no. J	Section 2	Township 16S	Range 30E	Lot Idn	Feet from the 3654.5	North/South Line N	Feet from the 1650	East/West line E	County 015
--------------------	--------------	-----------------	--------------	---------	-------------------------	-----------------------	-----------------------	---------------------	---------------

¹¹ Bottom Hole Location

UL or lot no. J	Section 2	Township 16S	Range 30E	Lot Idn	Feet from the 3654.5	North/South line N	Feet from the 1650	East/West line E	County 015
Lac Code S	Producing Method Code TA	Gas Connection Date	C-129 Permit Number	C-129 Effective Date	C-129 Expiration Date				

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
015694	NAVAJO REFINING CO. PO DRAWER 159 ARTESIA NM 88211-0159	944410	0	

IV. Produced Water

POD 944450	POD ULSTR Location and Description I-02-16S-30E
---------------	----------------------------------------------------

V. Well Completion Data

Spud Date	Ready Date	TD	PBTD	Perforations
Hole Size	Casing & Tubing Size	Depth Set	Sacks Cement	

VI. Well Test Data

Date New Oil	Gas Delivery Date	Test Date	Test Length	Tbg. Pressure	Csg. Pressure
Choke Size	Oil	Water	Gas	AOF	Test Method

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Allen Hodge</i> Printed name: ALLEN HODGE Title: <i>MANAGER</i> Date: 10-1-95 Phone: (505) 392-9545		OIL CONSERVATION DIVISION Approved by: Title: Approval Date: # 011830 JING ENTERPRISE LTD CO. Previous Operator Signature: <i>Sherry Galloway</i> Printed Name: SHERRY GALLOWAY Title: AGENT Date: 10/1/95	
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--



ILLEGIBLE

PO Drawer DD, Artesia, NM 88211-0
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 1083, Santa Fe, NM 87504-1083

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Instructions on back
Submit to Appropriate District Office
5 Copies
☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator Name and Address SALADO OPERATING L.L.C. PO BOX 1925 HOBBS NM 88241		OGRID Number 149084
		Reason for Filing Code C H 10-1-95
API Number 30-015-011027	Pool Name HENSHAW GRAYBURG WEST	Pool Code 30599
Property Code 017782	Property Name EAST HENSHAW UNIT	Well Number 007

II. Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South Line	Feet from the	East/West line	County
J	2	16S	30E		3654.5	N	1650	E	015

Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
J	2	16S	30E		3654.5	N	1650	E	015

Lea Code	Producing Method Code	Gas Connection Date	C-129 Permit Number	C-129 Effective Date	C-129 Expiration Date
S	TA				

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
015694	NAVAJO REFINING CO. PO DRAWER 159 ARTESIA NM 88211-0159	944410	0	

IV. Produced Water

POD	POD ULSTR Location and Description
944450	I-02-16S-30E

V. Well Completion Data

Spud Date	Ready Date	TD	PBTD	Perforations
Hole Size	Casing & Tubing Size	Depth Set	Sacks Cement	

VI. Well Test Data

Date New Oil	Gas Delivery Date	Test Date	Test Length	Tbg. Pressure	Cog. Pressure
Choke Size	Oil	Water	Gas	AOF	Test Method

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Allen Hodges</i>		OIL CONSERVATION DIVISION	
Printed name: ALLEN HODGES		Approved by: SUPERVISOR, DISTRICT II	
Title: MANAGER		Approval Date: OCT 23 1995	
Date: 10-1-95	Phone: (505) 392-9545		
If this is a change of operator (fill in the OGRID number and name of the previous operator) # 011830 J & E ENTERPRISE LTD Co.			
Previous Operator Signature: <i>Sherry Galloway</i>		Printed Name: SHERY GALLOWAY	Title: AGENT
			Date: 10/1/95

New Mexico
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

JERRY E. JOHNSON
Governor

JENNIFER SALISBURY
Cabinet Secretary

1-23-98

Mr. Allen Hodge
Salado Operating L.L.C.
P.O.Box 1925
Hobbs, NM. 88241

Re: Shut in wells.

Dear Allen;

For your convenience a copy of my first letter in regard to your shut in wells is enclosed. Because there was no response from you on this matter Ray Smith contacted you by phone October 7, 1997 and you assured him you would send us your plan to address this problem. Because there has been no response from you, I have instructed Ray to ask our legal department in Santa Fe to schedule a hearing so you may appear and show cause why these wells should not be plugged.

Yours truly,


Tim Gum

New Mexico
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON
Governor

JENNIFER SALISBURY
Cabinet Secretary

1-2-98

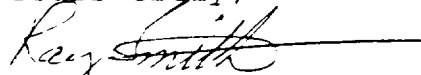
Rand Carroll, Legal Bureau
Oil Conservation Division
2040 So. Pacheco Street
Santa Fe, NM. 87505

Re; Well Plugging; Salado Operating L.L.C, P.O.Box 1925
Hobbs, NM. 88241

Dear Rand;

We recommend the following list of wells be plugged to
protect fresh waters of the state of New Mexico, the
environment and correlative rights in the area.

Yours truly,


Ray Smith

Salado Operating L.L.C. East Henshaw Unit

Tract 34-	1	Sec. 2-16-30	Ut. O
Tract 10-	4	Sec. 2-16-30	Ut. I
Tract 15-	6	Sec. 2-16-30	Ut. O
Tract 9-	7	Sec. 2-16-30	Ut. J

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON
GOVERNOR

JENNIFER SALISBURY
CABINET SECRETARY

7-31-97
Salado Operating L.L.C.
P.O. Box 1925
Hobbs, NM. 88241

Re: Properly Abandoned Wells; Salado Operating East Henshaw Unit

Dear Sir;

The State of New Mexico is in the process at this time of reviewing leases to determine the number of abandoned and shut in wells.

Rule 201 A. states " The operator of any well drilled for oil, gas or injection, for seismic, core or other exploration, or for a service well, whether cased or uncased, shall be responsible for the plugging thereof.

Rule 201 B. A well shall be either properly plugged and abandoned or temporarily abandoned in accordance with these rules within (90) days after (1) a 60 day period following suspension of drilling. (2) A determination that the well is no longer usable for beneficial purposes. (3) A period of 1 year in which a well has been continuously inactive.

House Bill 65 has been passed by the legislature and provides some tax incentives for wells put back in production. However, if there are no plans to put this well back in service then it needs to be either plugged or properly temporarily abandoned.

Our records show no production or injection on the following list of wells at least as far back as 1994. Please forward to the NMOCD office in Artesia by September 15, 1997 a plan to bring these wells into compliance with Rule 201.

Yours truly,



Tim Gum

East Henshaw Unit

Tract 24-1 ut, O sec.2-16-30
Tract 10-4 ut, I sec.2-16-30
Tract 15-6 ut, O sec.2-16-30
Tract 9-7 ut, J sec.2-16-30

30-015-03824

3654' N / 1650 E - 2-16-30

Salado OP. L.L.C.

E. Henshaw UT Tr. 9 #7

Before

1. Run & set CIBP w/ 35' cement @ 2862'.
or Run tubing to 2862'.
Set 25 sx cement Plug @ 2862'. 2762'. TAG

2. Circulate brine gel.

3. Perforate 2 7/8" casing @ 1500'.

4. Run in hole with packer.

Squeeze 100' cement Plug inside & outside 2 7/8" csg. TAG

5. Set tubing @ 500'.

Circulate cement to surface.

Pull tubing and Top off cement to surface.

6. Erect dry hole marker,

cut & level all pits, cut dead men

& clear location of junk.

TOC @
1955'

= Perfs - 2962'-72'

2 7/8" hole

2 7/8" casing

set @ 3005'

cemented w/ 250 sx

1" from 500' to surface.

temp. survey TOC

cement 3005'-1955'; 518'-surface

30-015-03824

3654' N / 1650 E - 2-16-30

Salado OP. L.L.C.

E. Henshaw UT Tr. 9 #7

After

1. Run + set CIBP w/ 35' cement @ 2862'

or Run tubing to 2862'

Set 25 sx cement Plug @ 2862'-2762' TAG

2. Circulate brine gel.

3. Perforate 2 7/8" casing @ 1500'

4. Run in hole with packer.

Squeeze 200' cement Plug inside + outside 2 7/8" csg. TAG

5. Set tubing @ 500'

Circulate cement to surface.

Pull tubing and Top off cement to surface.

6. Erect dry hole marker,

cut + level all pits, cut dead men

+ clear location of junk.

TOC @
1955'

Perfs - 2962'-72'

2 7/8" hole

2 7/8" casing

set @ 3005'

cemented w/ 250 sx

1" from 500' to surface.

Temp. survey TOC

cement 3007'-1955', 518'-surface

CMD : ONGARD 08/30/99 15:49:35
OG6CBBD CAPTURE BLANKET BONDS OGOMCS -TPEZ

OGRID Identifier : 11830 Bond Idn : 10245 Bond Status : A
Operator Name, Address : J & G ENTERPRISE LTD. CO.
PO BOX 100
ARTESIA,NM 88210

Bond Details - Type (Cash/Surety - C/S) : C Bond Co Idn : 13 Amount : 50000
Company OGRID Identifier : 26396
Company Name, Address : WESTERN BANK OF ARTESIA
P O DRAWER 500
ARTESIA,NM 88210

Limited as to future Liability (Y/N) : N If Limited, End Date :

Effective Date : 01-01-1900 Cancellation Date : 05-13-1998

Issuer Bond No : OCD-277

E7024: Only view is allowed

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 COMMENT	PF10 NXTBOND	PF11	PF12