

GARY E. JOHNSON

Governor
Betty Rivera
Cabinet Secretary

March 19, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Mr. Dennis Langlitz 1425 S. Country Club Cir. Carlsbad, NM 88220

Hanson Energy R 342 S. Haldeman Rd. Artesia, NM 88210

Nadel and Gussman Permian, LLC 3200 1st National Tower Tulsa, OK 74103

Quality Production Corp. Box 750 Hobbs, NM 88241

Re: Case No. 12811: Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.

Ladies and Gentlemen:

Be advised that the Division is now satisfied that all of your wells that are named in the captioned proceeding are in compliance.

Accordingly, by copy of this letter to Hon. Michael E. Stogner, Hearing Examiner, the Division staff is requesting that this case be dismissed as to your company.

Very truly yours,

David K. Brooks

Assistant General Counsel

ec:

Hon. Michael E. Stogner, OCD

Tim Gum, OCD - Artesia

James G. Bruce



GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

March 15, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Jalapeno Corp Box 1608 Albuquerque, NM 87103

Ralph E. Williamson Box 994 Midland, TX 79702

Western Reserves Oil Co. Box 993 Midland, TX 79702

Re: Case No. 12811: Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.

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David K. Brooks Assistant General Counsel

ec: Hon. Michael E. Stogner, OCD

Tim Gum, OCD - Artesia

cc: Michael H. Felderwert, Esq.



GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

March 13, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Cibola Energy Corp Box 1668 Albuquerque, NM 87103

Elk Oil Co. Box 310 Roswell, NM 88201

Shackelford Oil Co. Box 10655 Midland, TX 79702

Re: Case No. 12811: Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.

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David K. Brooks Assistant General Counsel

ec: Hon. Michael E. Stogner, OCD

Tim Gum, OCD - Artesia

cc: Michael H. Felderwert, Esq



GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

March 5, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Mr. Sonny Hope Vintage Drilling L.L.C. P.O.Box 158 Loco Hills, NM 88255

Mr. Kenneth R. Wade Kersey and Company Kersey & Donohue P.O.Box 1248 Fredericksburg, TX 78624

Beach Exploration Nadel and Gussman Permian, L.L.C. Pogo Producing Company St. Mary Land and Exploration Company c/o Mr. James Bruce, Attorney Box 1056 Santa Fe, NM 87504

Ms Barbara Watson Permian Resources, Inc. Box 590 Midland, TX 79702-0590

Mr. Dalton Bell 811 Bullock Ave. Artesia, NM 88210

MEW Enterpises c/o Jim Pierce 200 West First St, Suite 859 Roswell, NM 88203

Re: Case No. 12811; Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring 388 Wells into Compliance with Rule 201.B

Ladies and Gentlemen:

This will confirm receipt of previous correspondence or telephone conversations regarding your plans to bring your wells that are the subject of the referenced proceeding into compliance.

We applaud your undertakings to achieve compliance, and urge you to pursue this goal as expeditiously as possible. However, we want to stress that the only commitment the Division staff has made with respect to recommendations that will be made to the Division Hearing Examiner on March 22 is that we will recommend dismissal from this proceeding of any operator who has, by that date, achieved full compliance as to all of the specified wells.

I have heretofore solicited, and will continue to solicit, from those operators who believe that they cannot be in full compliance by March 22, written statements outlining the measures they intend to take to bring these wells into compliance and specific dates by which they are confident that these operations can be completed. All such written communications which I have received, or which I hereafter receive prior to the hearing, will be offered in evidence for consideration of the examiner whether or not you attend the hearing. However, the Division staff is not, at this time and in view of the history of its negotiations with operators concerning the wells included in this proceeding, prepared to recommend extending the deadline for compliance beyond thirty (30) days after the entry of the Division Order that will be sought at the March 22 hearing; nor is the staff prepared to forego, based on declared intentions only, seeking penalties for past conduct in cases where previous Division directives have been disregarded. While the time frame from the January 22 hearing notice to the March 22 hearing may be short, this time frame must be viewed in the context of the previous history of efforts to secure compliance with our inactive well rules, during which the Division has not be neglectful in admonishing operators concerning our requirements.

There are doubtless individual cases that would justify a different recommendation by the staff, particularly if previous correspondence from the Division has been misdirected. If you believe that your case warrants special consideration, feel free to contact the Division's Artesia District Office, at (505)-748-1283 to discuss your particular concerns.

Furthermore, you will have an opportunity to fully present your case directly to the examiner if you attend the March 22 hearing, either in person or by attorney. The Director's decision following her review of the hearing record will represent the Division's final determination on all matters, subject, as always, to Commission review.

In the meantime, in order to assure that we are fully advised of all wells that are brought into compliance prior to the hearing, I urge you to fax copies of C-103s

reporting completion of reworking or plugging operations to the Artesia District Office (at Fax No. 505-748-9720), even if the originals are filed with the BLM, and also to fax copies thereof to my attention at (505)-476-3462. In this manner we can assure that our commitment to dismiss those operators who achieve compliance prior to the hearing is fulfilled. To the extent that wells included in this proceeding are actually producing, C-115s reporting that production should likewise to copied to my attention. If production has occurred during periods in which our records reflect inactivity, reconstructed C-115s reporting such production as of the dates when it occurred should be filed.

Should you have any questions, please call me at (505)-476-3450.

Very truly yours,

David K. Brooks

Assistant General Counsel

cc: Lori Wrotenbery, OCD Director

Tim Gum, District Supervision, District II



GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

March 4, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Brothers Production Company Box 7515 Midland, TX 79708

Dakota Resources Inc. (1) 911 Midkiff Midland, TX 79701

Jenkins Brothers Drilling Co. Box 158 Loco Hills, NM 88255

Limark Corporation Box 10708 Midland, TX 79702

Matador Operating Co. 8340 Meadow Rd, Suite 158 Dallas, TX 75231

Re: Case No. 12811: Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.

Ladies and Gentlemen:

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Very truly yours,

David K. Brooks Assistant General Counsel ec: Hon. Michael E. Stogner, OCD Tim Gum, OCD - Artesia



GARY E. JOHNSON

Governor
Betty Rivera
Acting Cabinet Secretary

February 18, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Judah Oil Box 568 Artesia, NM 88211-0568 Mack Energy Corp. Box 960 Artesia, NM 88211-0960

Nearburg Producing Co. Box 823065 Dallas, TX 75382

Re: Case No. 12811: Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.

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David K. Brooks Assistant General Counsel

ec:

Hon. Michael E. Stogner, OCD Tim Gum, OCD - Artesia



GARY E. JOHNSON

Governor
Betty Rivera
Acting Cabinet Secretary

February 13, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Aroc (Texas) Inc. Box 702373

Tulsa, OK 74170-2373

Harvey E. Yates Co.

Box 1933

Roswell, NM 88202

Mewbourne Oil Co.

Box 7698

Tyler, TX 75711

Ocean Energy, Inc. 1001 Fannin, Suite 1600

Houston, Tx 77002

____, ____,

Yates Drilling Co. 105 S. Fourth St. Artesia, NM 88210 Dorothy Boyce 149 E. Kincaid Ranch Road

Artesia, NM 88210

Kimbell Oil Co. of Texas 500 Throckmorton, Suite 3000

Ft. Worth, TX 76102

Mitchell Energy Corporation

Box 4000

The Woodlands, TX 77387

Tom Brown, Inc.

555 17th St., Suite 1850

Denver, CO 80202

Re: Case No. 12811: Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.

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David K. Brooks

Assistant General Counsel

David K. Busk

c: Hon. Michael E. Stogner, OCD Tim Gum, OCD - Artesia

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