



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

FINAL NOTICE

CERTIFIED MAIL

January 11, 2001

AGHORN OPERATING INC.

P.O. BOX 12663

ODESSA, TX. 79768-2663

RE: INACTIVE NON-COMPLIANCE WELLS

The Oil Conservation Division (OCD) currently is addressing all inactive non-compliance wells as a top priority statewide project. A mass mail out was made on May 11, 2000 requesting information from each operator that had inactive wells. A second mail out was made on September 8, directing each operator as part of this project to provide additional information based on how they had responded to the May 11, 2000 letter.

By copy of this letter, the OCD director is requested to schedule a "Show Cause Hearing" to allow you the opportunity to appear and to show way a shut in order, order to plug and abandon all inactive non-compliance wells and/or to call for the forfeiture of your statewide bond is not issued. If your bond is called you can no longer operate in the State of New Mexico.

The "Show Cause Hearing" will be stayed if an aggressive plan being detailed and specific as to type of work and time frame to bring all non-compliance wells into compliance is received in this office within 30 days of receipt of this letter.

Attached is the latest (11/16/00) OCD list of inactive non-compliance wells for your company.

TIM W. GUM

DISTRICT II SUPERVISOR
OIL CONSERVATION DIVISION

XC: LORI WROTENBERY ---- DIRECTOR
OCD ATTORNEY
ATTACHMENT

BEFORE EXAMINER STOGNER	
OIL CONSERVATION DIVISION	
OCD	CLIENT NO. 5
CASE NO.	12811

API #	Type	Last Production/ Injection	Well Name and Number	ULSTR	FNS	FEW
30-005-60903	O	11-1998	STATE #001	O-01-15S-29E	660S	1650E
30-015-04785	I	12-1995	NORTHEAST SQUARE LAKE PREMIER UNIT #008	M-02-16S-31E	660S	660W
30-015-04787	O	08-1991	NORTHEAST SQUARE LAKE PREMIER UNIT #007	P-03-16S-31E	660S	660E
30-015-04788	I	01-1998	NORTHEAST SQUARE LAKE PREMIER UNIT #005	P-03-16S-31E	330S	330W
30-015-04792	O	04-1991	NORTHEAST SQUARE LAKE PREMIER UNIT #006	O-03-16S-31E	560S	1980E
30-015-04793	O	04-1991	NORTHEAST SQUARE LAKE PREMIER UNIT #002	J-03-16S-31E	1650S	1650E
30-015-04794	I	12-1992	NORTHEAST SQUARE LAKE PREMIER UNIT #003	K-03-16S-31E	1650S	2310W
30-015-04831	I	12-1993	NORTHEAST SQUARE LAKE PREMIER UNIT #012	A-09-16S-31E	660N	660E
30-015-04834	I	01-1998	NORTHEAST SQUARE LAKE PREMIER UNIT #010	C-10-16S-31E	660N	1980W
30-015-04837	I	01-1994	NORTHEAST SQUARE LAKE PREMIER UNIT #021	G-10-16S-31E	1980N	1980E
30-015-04840	O	12-1993	NORTHEAST SQUARE LAKE PREMIER UNIT #020	F-10-16S-31E	2030N	1980W
30-015-04842	O	12-1993	NORTHEAST SQUARE LAKE PREMIER UNIT #026	J-10-16S-31E	2310S	1980E
30-015-04844	O	07-1993	NORTHEAST SQUARE LAKE PREMIER UNIT #022	H-10-16S-31E	1980N	990E
30-015-04845	I	09-1994	NORTHEAST SQUARE LAKE PREMIER UNIT #025	I-10-16S-31E	2310S	990E
30-015-04846	O	10-1995	NORTHEAST SQUARE LAKE PREMIER UNIT #009	D-11-16S-31E	660N	660W
30-015-05864	O	03-1997	R T WILSON FEDERAL #001	I-24-26S-31E	1980S	660E
30-015-05866	O	03-1997	R T WILSON FEDERAL #003	H-24-26S-31E	1984N	660E
30-015-05867	O	03-1997	R T WILSON FEDERAL #004	O-24-26S-31E	660S	1993E
30-015-05884	O	09-1998	E D WHITE FEDERAL NCT-1 #001	P-26-26S-31E	330S	330E
30-015-05897	O	06-1997	EDDY AGA STATE #003	4-36-26S-31E	1757N	660W
30-015-25943	O	04-1991	NORTHEAST SQUARE LAKE PREMIER UNIT #031	O-04-16S-31E	330S	1650E