



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

JERRY APODACA
GOVERNOR

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January 8, 1979

TRENT G. CORNMAN
D/B/A ENERGY OIL & GAS CORP.
6105 NW 32ND STREET
BETHANY, OKLAHOMA 73008

ATTENTION: GARY ANDY WILKERSON, PRES.

GENTLEMEN:

YOUR PERMIT (FORM C-101) TO DRILL THE DR. W. T. SADLER WELL NO. 1 IN UNIT I, SECTION 3, TOWNSHIP 24 NORTH, RANGE 29 EAST, NMPM, UNION COUNTY, NEW MEXICO, IS DUE TO EXPIRE ON JANUARY 15, 1979, UNLESS OPERATIONS ARE UNDERWAY. TO DATE, NO OFFICIAL NOTICE OF SUCH OPERATIONS HAVE BEEN FILED WITH THIS OFFICE.

PLEASE NOTE THAT NEW MEXICO LAWS REQUIRE CERTAIN NOTICES BE GIVEN, AMONG WHICH ARE THE FOLLOWING:

(A) PRIOR TO COMMENCING OPERATIONS, FORM C-103 SHALL BE FILED (IN TRIPLICATE) GIVING NOTICE OF INTENT TO SPUD.

(B) PRIOR TO SETTING OR CEMENTING ANY CASING, FORM C-103 SHALL BE FILED (IN TRIPLICATE) GIVING NOTICE OF INTENT AND TO OBTAIN APPROVAL OF ANY CHANGES FROM THE PLAN OUTLINED BY THE FORM C-101 ORIGINALLY SUBMITTED.

(C) WITHIN TEN (10) DAYS AFTER SETTING ANY CASING, FORM C-103 SHALL BE FILED (IN TRIPLICATE) REPORTING THE SIZE AND AMOUNT OF CASING, LINER, OR TUBING SET, THE AMOUNT OF CEMENT USED, RESULTS OF CASING TEST, AND OTHER SUCH INFORMATION REQUIRED BY RULE 107.

YOU WILL ALSO NOTE THAT RULE 202-C REQUIRES THAT A WELL SHALL BE PLUGGED WHEN DRILLING OPERATIONS HAVE BEEN SUSPENDED FOR 60 DAYS: UNLESS A PERMIT FOR TEMPORARY ABANDONMENT WAS PREVIOUSLY OBTAINED.

IT IS OBVIOUS THAT YOU ARE DELINQUENT IN FILING VARIOUS REPORTS WITH THIS AGENCY. UNLESS STEPS ARE TAKEN IMMEDIATELY TO RECTIFY THIS SITUATION, WE WILL BE REQUIRED TO INITIATE LEGAL ACTION.

IF YOU HAVE ANY QUESTION CONCERNING THE ABOVE DISCUSSED MATTERS