



BRUCE KING
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

November 17, 1982

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Climax Chemical Company
P. O. Box 1595
Hobbs, New Mexico 88240

Attention: Mr. A. D. Bearden

Re: Plugging of Abandoned Wells

Dear Mr. Bearden:

The Oil Conservation Division has received a letter from Mr. David G. Boyer of the Environmental Improvement Division indicating that Climax Chemical Company has properly plugged four brine wells. In addition, the Oil Conservation Division has received correspondence from the United States Fidelity and Guaranty Company indicating that that company has outstanding four one-well plugging bonds, which the company requests the OCD to cancel since the wells have been plugged.

A check with the Oil Conservation Division district office in Hobbs, New Mexico, shows that if the wells have been plugged, the appropriate forms have not been filed with the Division offices and the plugging has not been approved by the Division personnel. Therefore, I request that you contact the representatives at our district office in Hobbs to file the appropriate notices and reports and receive their approval of the plugging prior to release of the bonds.

Thank you for your attention to this matter.

Sincerely,

W. PERRY PEARCE
General Counsel

WPP/dr

cc: David G. Boyer
Environmental Improvement Agency

Hertha Lee
U. S. Fidelity and Guaranty Company