

DIRECTOR JOE D. RAMEY

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE 87501

LAND COMMISSIONER PHIL R. LUCERO

STATE GEOLOGIST EMERY C. ARNOLD

February 20, 1976

Service Drilling Company 1800 Fourth National Bank Building Tulsa, Oklahoma 74119

Attention: Mr. Roy W. Reese

Service Drilling Company Subject:

Gonzales-Pittman Well No. 1. Unit M, Section 24, Township 21 North, Range 21 East, NMPM, Mora

County, New Mexico

Dear Mr. Reese:

Your company is the record owner of the above described operation. As such, you need to be aware that a report (or a series of reports) concerning same is much overdue. Attached hereto is a copy of portions of New Mexico regulations concerning wells drilled for hydrocarbons.

The last report pertaining to the subject well received in this office is dated October 16, 1975 and is a notice of the commencement of drilling operations and setting of 7" casing at 1059' with total depth at 2916'. You will note that Rule 1103 requires that: (a) if well was temporarily abandoned, a report of same should have been filed by October 26, 1975; (b) if well was plugged a report of same was due by November 15, 1975. If well was completed as a producer, the completion report and well logs were due 20 days later. If no work was done on the well after October 16, 1975, and well was neither plugged nor completed as a producer, then Rule 202 required that the well be plugged by December 15, 1975, unless a permit for temporary abandonment was previously obtained from the Commission.

In view of the foregoing, it appears that the Commission has no choice but to order the well properly plugged and abandoned. Thus if immediate action is not taken to furnish this office with all of the logs, reports and data which is long overdue, the matter will be referred to our Legal Department.

Yours truly,

CARL ULVOG Senior Geologist District IV Supervisor

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cc: William Gruenerwald & Associates
P. O. Box 909
Colorado Springs,

W. F. Carr, General Counsel Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501