

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON
GOVERNOR

JENNIFER SALISBURY
CABINET SECRETARY

8-22-97

Mr. Harvey Yates Jr.
Cibola Energy Corporation
P.O.Box 1688
Albuquerque, NM. 87103

Re; Rancher Complaint, Cibola State # 1, sec. 32-18-30 ut. G.

Dear Harvey;

We received a call from the rancher who has the lease on section 32 of 18-30 in regard to a crude oil leak at the above captioned well. Upon inspection we found that there is an old pit which has surfaced due to the high daytime temperatures.


We also checked the production on the State # 1 and there has been none reported from 1993 to 1997. I did not check beyond this date.

The State will require this well to be addressed by plugging, by returning it to service or by proper temporary abandonment.

The issue of the pit will also need some attention. If you will contact Ray Smith of this office he will help you with a plan to clean up this pit.

Please let me hear from you by September 5, 1997.

Yours truly,


Tim Gum