



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
6251 College Blvd., Suite A
Farmington, New Mexico 87402

IN REPLY REFER TO:

NMNM-078064 (WC)
3162.3-2 (21110)

November 23, 2015

OIL CONS. DIV DIST. 3

NOV 30 2015

Ms. Amy Mackey
Elm Ridge Resources, Inc
PO Box 156
Bloomfield, NM 87413

Dear Ms. Mackey:

Our records indicate that Elm Ridge Exploration Company, LLC is operator of the following well:

Pete Morrow 2T located 950' FNL & 1215' FWL sec. 1, T. 25 N., R. 12 W., San Juan County, New Mexico, Lease NMSF-078064. **Records indicate that this well has not produced since April, 2014.**

Title 43 CFR Section 3162.3-4 requires that the lessee shall promptly plug and abandon, condition as a service well, or condition as a water well, any well on a lease that is not used or useful for the purpose of the lease. Accordingly, you are required to advise this office by Sundry Notice within 30 calendar days of your intent to perform one of the following: a) Condition the well to a useful function, b) Temporarily abandon the well, c) Continued shut-in status, d) Permanently plug and abandon the well.

See attached General Requirements for Non-Producing wells on Federal leases.

The 30 calendar days commences upon receipt of this letter or seven days from the date it is mailed, whichever is less. Failure to comply within the 30 calendar days may result in an assessment in accordance with 43 CFR 3163.1.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the orders described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management (NM-93000), P.O. Box 27115, Santa Fe, New Mexico 87502-0115. Such request shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

If you have any questions, please contact Jack Savage at (505) 564-7736.

Sincerely,

Jack Savage
Petroleum Engineer, Petroleum Management Team

1 Attachment