



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

Loni Wrotenbery
Director
Oil Conservation Division

February 1, 2002

Mr. J. C. Ridens
Cordillera Energy Inc
5802 Highway 64
Farmington, NM 87401

Re: Violations of Rule 303:
Williams #1M, C-24, T31N, R13W, API # 30-045-23024.
Payne #3E, D-26, T31N, R13W, API # 30-045-25953.
Candado #1, M-15, T26N, R7W, API # 30-039-06445.

Dear Mr. Ridens:

The above listed wells do not have down-hole commingle orders in place. The NM OCD Engineering Bureau returned the applications as incomplete on 8/20/2001. Please do not produce these wells as down-hole commingles until you are in compliance with Rule 303. C. 1-3.

These three wells are completed in pools that have pre-approved pool combinations, allowing you to apply for down-hole commingling at the district level. Please send application to the Aztec district office on C-103 forms as specified in Rule 303.

Sincerely,

Steven N. Hayden
Deputy Oil & Gas Inspector
shayden@state.nm.us

SNH/mk

Cc: Well files