



February 19, 1985

New Mexico Oil Conservation Commission
P.O. Box 1980
Hobbs, New Mexico 88240

RE: South Lane SWD #D-35,
Lea County, New Mexico

Gentlemen:

Enclosed please find a completed Form C-103 for remedial work performed on the subject well. SX was of the opinion that we should verify the extent of the problem prior to contacting the Oil Conservation Division. After several days of fishing tubing, I contacted Mr. Eddie Seay and discussed the situation with him. He stated that SX needed to make a reasonable effort to return the well to an active status. After considerable time and money, SX repaired the well and commissioned a company to line a new string of tubing in order to return the well to saltwater disposal. SX believed that the well would be back to disposing of saltwater within a month and that a form C-103 would be submitted at that time.

Since this time, SX has had numerous problems with the lining company and is currently in a lawsuit attempting to recover our tubing. Due to the duration of the problem, we overlooked the filing of a Form C-103.

Also enclosed is a Form C-103 for the work we intend to do. However, due to the problems associated with recovering our tubing, it is next to impossible to assign an anticipated starting date.

If there are any questions or problems, please feel free to contact me.

Sincerely,

David W. Stevens
Drilling & Production Engineer

DWS:bz

Enclosures