



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

JERRY APODACA  
GOVERNOR

NICK FRANKLIN  
SECRETARY

August 2, 1978

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

Cortez Corporation  
P. O. Box 6646  
Odessa, Texas 79760

Re: State 26 Well No. 1,  
G-26-13S-33E;  
Fair Well No. 1,  
D-24-18S-26E  
\$10,000 Blanket Bond No.  
060S3428 BCA

Gentlemen:

Although the State 26 Well No. 1 has been plugged, the location has not been cleaned up and a final plugging report filed in accordance with Rule 1103.

The Fair Well No. 1 has been temporarily abandoned for over six months without a permit. This is a violation of Rule 202. This well should be plugged and abandoned immediately. If you will not do so voluntarily, the Division will formally order it plugged and will make demand on your surety.

Additionally, you are in violation of Rule 101 for failure to obtain new bond coverage.

Unless I hear from you by August 15, I will be forced to commence legal proceedings. Violation of Division rules may result in fines of up to \$1,000 a day.

Very truly yours,

(Ms.) LYNN TESCHENDORF  
General Counsel

LT/dr

cc: Jerry Sexton  
Bill Gressett  
Aetna Casualty & Surety Co.