



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

February 16, 2005
Pecos Production Company
400 W. Illinois, Suite 1070
Midland, TX 79701
Attn: Ms. Dora Lara

**RE: Pecos Production Company: State '2' # 1, located in Unit E (1855' FNL & 660' FWL) of
Section 2, Township 19 South Range 30 East, Eddy County, New Mexico.
API # 30-015-25001**

Dear Ms. Lara,

In regards to conditions for approval of the above captioned well, the New Mexico Oil Conservation Division (NMOCD) will require the following:

In addition for Pecos Production Company to follow **all** orders of **R-12268** and the proposed procedures stated on your C101 dated 2/11/2005, the following additional measures are required:

- Operator is to set a 100' cement plug across the shoe ("50'in/50'out") on the 8 5/8" casing from @ 3930-4030' and tag this cement plug.

Respectfully yours,

Bryan G. Arrant

PES

CC: Will Jones-Hearing Examiner-Santa Fe
Van Barton-Field Representative. II-Artesia
Well File

*R-12268
Case 13377*