



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

June 26, 1998

Robert L. Bayless
P.O. Box 168
Farmington, New Mexico 87499-0168

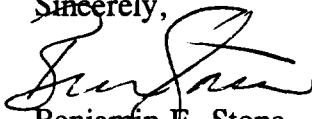
Attn: Mr. Tom McCarthy

Re: Satisfaction of provision contained in Division Order SWD-698.

Dear Mr. McCarthy,

I have reviewed the information submitted on the New Mexico Federal 'N' Well No.3, pursuant to the above referenced Division Order. In light of this information, we consider the provision to be satisfied and operations may proceed accordingly. All other provisions and conditions of SWD-698 and Division Rules 706 and 1120 shall remain in full force and effect.

Sincerely,


Benjamin E. Stone
P.E. Specialist

/BES

cc: Oil Conservation Division - Artesia
SWD-698