



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
Jennifer A. Salisbury  
Cabinet Secretary

Lori Wrotenbery  
Director  
Oil Conservation Division

July 27, 2000

Kelly H. Baxter  
POB 11193  
Midland, Tx 79702

RE: State FP # 1  
Unit Letter O, Section 23, T16S, R33E  
Wallen Fee # 1  
Unit Letter D, Section 28, T20S, R34E  
Wallen Fee # 2  
Unit Letter C, Section 28, T20S, R34E

*Q3* ✓

A review of our records and recent inspections show that the above referenced wells have been shut in for an extended period of time. Order R-9210 states that an operator can not leave a well shut in longer than a year. The following options are available for the future of the above well.

1. Restore the wells to production.
2. Set plug, conduct mechanical integrity test, and request temporary abandoned status.
3. Submit a proposal to plug and abandon the well, proceed with plugging on a timely basis after the proposal has been evaluated, amended and or approved.

To avoid further action, we request that you exercise on of the above options no later August 6 , 2000. This letter is the first step in the documentation to take the well to Show Cause Hearing as to why the bond should not be forfeited and the well plugged. We request that you notify this office 24 hours prior to any operation in order to witness the operation, either repair or plugging and pressure test upon completion of repairs or to request TA status.

Very truly yours  
OIL CONSERVATION DIVISION

Billy E. Prichard  
Deputy Inspector, District 1

Cc:  
Chris Williams  
Gary Wink  
Sylvia Dickey  
Lyn Hebert  
file

|                                  |
|----------------------------------|
| BEFORE EXAMINER CATANACH         |
| OIL CONSERVATION DIVISION        |
| <u>OCD</u> EXHIBIT NO. <u>29</u> |
| CASE NO: <u>12792</u>            |