



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 29, 2002

Mr. Kris K. Agrawal
General Minerals Corporation
4133 N. Lincoln Blvd.
Oklahoma City, OK 73105

Re: Case No. 12733
Application of the New Mexico Oil Conservation Division for an Order
Requiring Operators to Bring 96 Wells into Compliance with Rule 201.B.

Dear Mr. Agrawal:

Your letter of January 27, 2002 to Director, Lori Wrotenbery, has been referred to me for response.

If you wish to contest the fine assessed against your company in the order entered by the Division on January 15, it will be necessary for you to file a letter with the Division requesting *de novo* review of the January 15 order as it applies to General Minerals Corporation by the Oil Conservation Commission. Five (5) copies of such request should be mailed or delivered to the Division, and must be received by this office no later than Thursday, February 14, 2002.

The evidence presented at the Division hearing on October 4, 2001, at which your company was not represented, indicated that no production had been reported to the Division from the subject Federal CCC#1 Well since October of 1997, and that your company has disregarded at least three notices sent by the Division regarding this well on May 11, 2000, September 8, 2000 and December 26, 2000, respectively.

However, it is possible that production was occurring and was simply not being reported to the Division as required by Division Rule 1115. If your company will now cause to be filed reconstructed forms C-115 with the Division for all months from November 1997 through and including the present, and furnish us documentation supporting the payment of severance taxes attributable to production from this well (item 5 in your letter) and reports to the United States Bureau of Land Management (item 11), I shall consider recommending to the Commission that the fine assessed in the January 15 order be withdrawn. This, of course, assumes that you properly appeal to the Commission in the manner described in the first paragraph of this letter.

Of course, the compliance provisions of the January 15 order will be of no further consequence if we are satisfied that the well is, in fact, in compliance.

Should you have any questions, please call me at (505)-476-3450.

Very truly yours,

David K. Brooks
Assistant General Counsel

cc: Tim Gum, District Supervisor
Oil Conservation Division
1301 West Grand Avenue
Artesia, NM 88210

Blind P.S. to Tim Gum:

Tim:

We will need an inspection of this well - General Minerals Federal CCC #1 - to verify whether it is properly equipped for production.

DB

**GENERAL MINERALS CORPORATION
4133 N. LINCOLN BLVD.
OKLAHOMA CITY, OK 73105
405-524-5227**

1/27/2002

**Lori Wrotenbery
Director
State of New Mexico
Oil and Conservation Division
And Assistant General Counsel/ David K. Brooks
And
Tim Gum, OCD Artesia District Office
1220 South St. Francis Drive, Santa Fe
New Mexico, 87505**

FAX: 505-476-3462

RE: Federal CCC1/OCD Case No. 12733

Your letter January 16, 2002 has been brought to my attention.

1. **Our company was never notified that well CCC1 is not pumping.**
2. **You could not have notified us as we could receive no mail when I was injured and in hospital.**
3. **This well has always been pumping.**
4. **Electric bill shows the electric consumption**
5. **The State of N.M. has been paid severance tax by Navaho Refining Company from Artesia.**
6. **We have been paying a Pumper**
7. **We cannot help it if the well will not produce oil a whole lot.**
8. **We have been in contact with Duke Energy to buy the vented gas.**
9. **Our tax filer advises us that proper forms have been filled out when ever the oil was sold.**
10. **Our Pumper tells us that he has a tank of oil to sell.**
11. **We understood that this well is on federal lands that have received royalty.**
12. **The testimony of other companies charged shows that you were seeking relief in your own forum based upon misinformation and against the rules of professional conduct where you have the duty to investigate the facts to be presented before a tribunal are correct.**
13. **The Hearing Examiner's findings are based upon erroneous information.**

We wish to appeal the final order as it is acquired under perjury and incorrect testimony. If you have a problem with above statements, then we can request the electric company and the oil buyer to show proof of electric consumption and oil purchase.



Kris K. Agrawal