

LOUIS F. FULTON db CFM OIL CO.

**PO BOX 1176
ARTESIA, NM 88211
746-4787 365-6632**

3/12/02

Mr. David Brooks
NMOCD

RE: CFM Oil Co. & C.O. Fulton (Operators)
Well compliance & penalty assessment
Extension request

OIL CONSERVATION DIV.
02 MAR 15 PM 12:24

In response to your 1/22/02 letter, be assured we are working diligently to get all non-producing wells back into compliance. Meanwhile, we've also made it a priority to maintain wells already producing so as not to add to our compliance problem, which has not been easy. While we respect your difficult position regarding non-producing wells, your letter was a surprise because we did not receive the referenced July or August letters. We've been operating under the impression that we were complying with the terms of our 2/5/00 response letter wherein we set forth plans to bring our problem wells into compliance. Limited financial resources (low crude prices), inclement winter weather and bad luck have restricted our progress.

The following wells are now producing: Forest Pool #12, 23; Platt #2; Williams #2, 5, 6. Pending OCD approval and weather permitting, we plan to have the Williams #3, 4 producing the week of March 11, 2002. Then, the Blake State #1; Gillispie State #2; & Kindles #2 producing the week of March 18, 2002.

We respectfully request an extension to get the Morgan #3 and C.O. Fulton's Dublin St. #2, 3 producing by the end of April, 2002.

Thank you for your cooperation.



c: Tim Gum
Lori Wrotenbery

BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION
OCD EXHIBIT NO. 56
CASE NO. 12811

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