

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

September 8, 2000

21355
SOUTHWEST ROYALTIES INC
PO BOX 11390
MIDLAND, TX 79702

Re: Current Status of Oil and Gas Wells

In May of this year, the Oil Conservation Division ("Division") sent a letter to you setting forth the Division's information on wells for which you are the operator of record. The letter requested a response with additional information. The Division has had no response to the letter. The Division presumes you agree with the information in the letter regarding your inactive wells.

The wells have not shown production or been reported on Form C-115 for more than one year. The wells are not in compliance with the Division's rules and the New Mexico Oil and Gas Act.

You are hereby directed to bring these wells into compliance within 60 days. In the alternative, within 30 days you may submit a compliance plan including a schedule of activities with dates.

Sincerely,

Tim Gum
District Supervisor

176a

BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION
<u>OSD</u> EXHIBIT NO. 177 176A
CASE NO. <u>12811</u>

(11)

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

SOUTHWEST ROYALTIES INC
P.O. BOX 11390
MIDLAND, TX 79702

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) <i>M. Merritt</i>	B. Date of Delivery <i>SEP 12 2000</i>
C. Signature <i>[Signature]</i>	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
D. Is delivery address different from item 1? If YES, enter delivery address below:	<input type="checkbox"/> Yes <input type="checkbox"/> No

3. Service Type

<input checked="" type="checkbox"/> Certified Mail	<input type="checkbox"/> Express Mail
<input type="checkbox"/> Registered	<input checked="" type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Insured Mail	<input type="checkbox"/> C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

Article Number (Copy from service label)
7000 0600 0026 1537 2339