



STATE OF NEW MEXICO
 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
 OIL CONSERVATION DIVISION
 AZTEC DISTRICT OFFICE



GARY E. JOHNSON
 GOVERNOR

JENNIFER A. SALISBURY
 CABINET SECRETARY

1000 RIO BRAZOS ROAD
 AZTEC, NEW MEXICO 87410
 (505) 334-6178 FAX: (505) 334-6170

May 18, 1995

RAND CARROLL
 COUNSEL FOR NMOCD
 PO BOX 2088
 SANTA FE NM 87504-2088

RE: CMS Oil Field Ser. CARANTA #1 J-23-32N-01W ORDER NO. R-8304

Dear Rand:

The above well was brought to hearing September 17, 1986 and ordered to be plugged or the division would take steps to have the well properly plugged. Mr. Caranta was given several extensions from 12-22-94 to 4-12-95. His last letter asked for 30 days to find another operator or he would P&A well. Deadline for extension was 5-12-95.

The operator has made no effort to P&A the Caranta #1, or contact the Aztec OCD notifying us of his intentions for this well, since April 12, 1995. If there is a need for another hearing due to the length of time since the hearing in 1986 please docket a case calling John Caranta & USF+G Insurance & all interested parties to appear and show cause why the Caranta #1, located 1980 FSL & 1980 FEL of 23-32N-1W should not be plugged and abandoned according to a Division approved plugging program.

USF&G is holding plugging bond No.01 0130 10204 89 1

Sincerely,

Johnny Robinson

Johnny Robinson
 Deputy Oil & Gas Inspector

cc: USF&G Insurance
 John Caranta

BEFORE EXAMINER STOGNER	
OIL CONSERVATION DIVISION	
OCD	EXHIBIT NO. 1
CASE NO.	11498



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT



OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

December 22, 1994

Sent to Rand 12-29-94

RAND CARROLL
COUNSEL FOR NMOCD
PO BOX 2088
SANTA FE NM 87504-2088

RE: CARDELL OIL CO., CARANTA #1 J-23-32N-01W ORDER NO. R-8304

Dear Rand:

The above well was brought to hearing September 17, 1986 and ordered to be plugged or the division would take steps to have the well properly plugged.

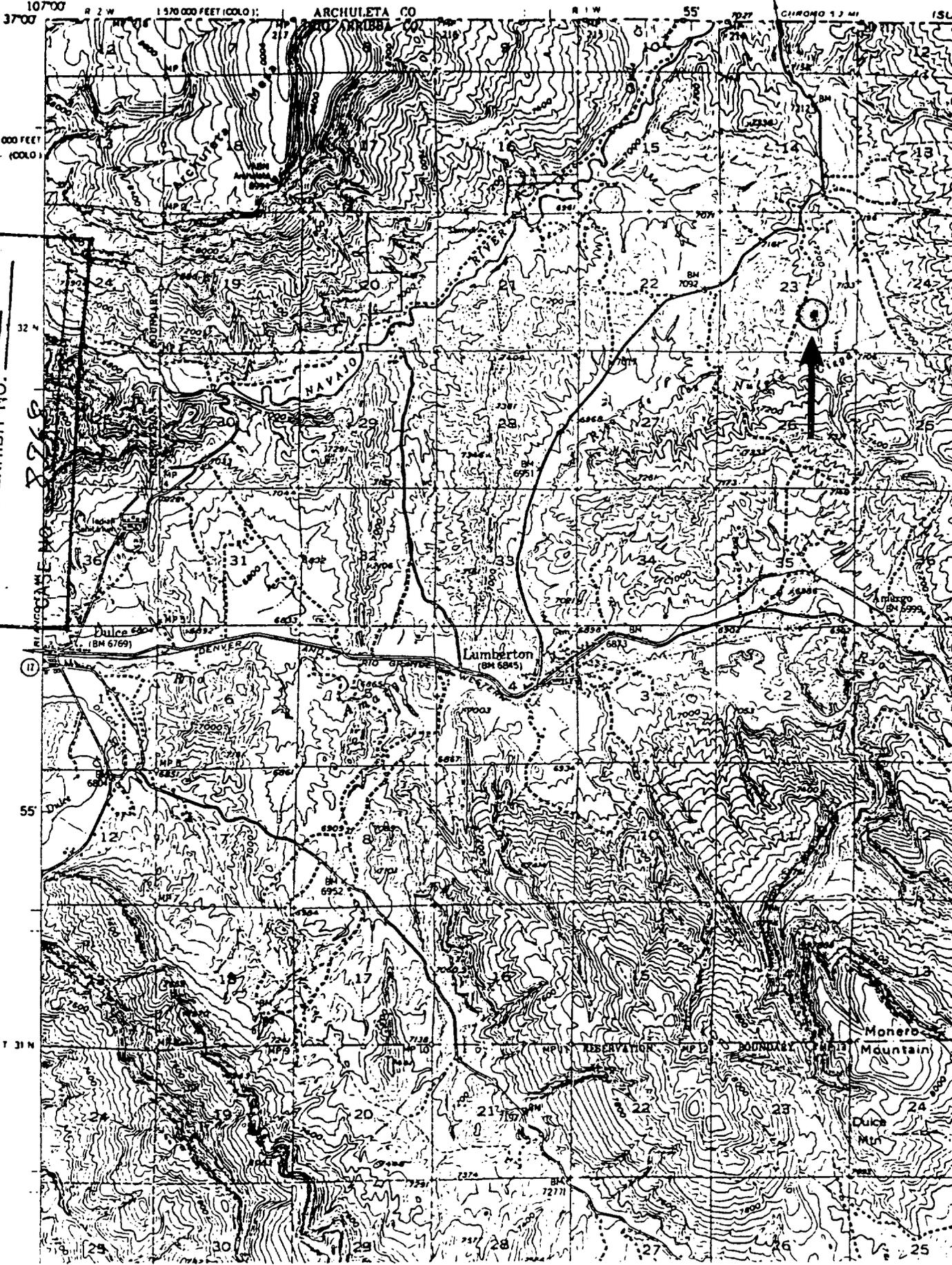
To this date the operator has made no effort to P&A the Caranta #1, or contact the Aztec OCD notifying us of this intentions for this well.

Sincerely,

Johnny Robinson
Deputy Oil & Gas Inspector

JR/cs

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY



BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION
EXHIBIT NO. 2





STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE



GARY E. JOHNSON
GOVERNOR

JENNIFER A. SALISBURY
CABINET SECRETARY

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

Certified: P-987-892-130

January 27, 1995

John Caranta
20 Rd 3970
Farmington NM 87401

RE: Caranta #1, J-23-32N-01W, #30-039-22806

Dear John:

As established in our conversation of Thursday, January 26, 1995, you will need to bring the Caranta #1 up to date via the completion of a form C-103 showing a change of operator from CMS Oilfield Service back to you John Caranta, or Cardel Oil Company, along with your stated intention for further work on the above referenced well. A new plugging bond will also have to be submitted under the new operator's name.

Please be advised that you are in violation of rule #101 of the NM Rules & Regulations Manual which requires a current plugging bond for each well. Also, rule #201 requires a well to be properly abandoned if there is a period of one year in which a well has been continuously inactive.

Please submit a C-103 (a blank form is enclosed) and the plugging bond within 30 days to avoid a possible fine.

Sincerely,

Johnny Robinson
Deputy Oil & Gas Inspector

JR/sh

enc

cc: well file
JR file

4/11/95

Dear Johnny,

As per our conversation on 4/10/95,
I am in the process of changing operators.
If I am unable to find a new lessee
then I will plug the well. I should know
something in about 30 days.

Sincerely,

John Carate

RECEIVED
APR 12 1995
OIL CON. DIV.
DIST. 3

STATUS OF CMS OIL FIELD SER.

JOHN CARANTA #1 API # 30-039-22806 J-23-32N-1W

- 12-22-94 Letter to Rand Carroll. Notification of order # R8304 & no response from operator in plugging well.
- 1-26-95 Talked to John Caranta by phone asking his intention for well.
- 1-27-95 Sent certified letter to Mr. Caranta explaining that we needed a change of operator, NIT for completion of well and the bond verified. Gave Mr. Caranta a extension of 30 days to comply with paper work.
- Feb.1995 Called Rand and asked him to delay hearing until Mr. Caranta had time to comply with Paper work. He said he would wait until I notified him.
- 2-6-95 USF+G Insurance sent a letter of verification for bond # 01 0130 10204 89 1.
- 4-10-95 No response from Mr. Caranta. Called John and asked if he had received my letter & forms. He said he had forgotten them but would send them tomorrow.
- 4-12-95 Received C103 from Mr. Caranta signed but he didn't fill out form. His letter stated that he would have a new operator or plug the well within 30 days.
- 5-18-95 Have not heard from Mr. Caranta or received any C103's for completion of well.
- 5-30-95 John Caranta called asking for a extension to 6-12-95. Approved extension.
- 6-12-95 Meeting with John Caranta to discuss Caranta # 1 cancelled until 6-22-95 due to illness. Rescheduled for 7-1-95.
- 7-2-95 John Caranta did not show up for meeting.

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

3. Article Addressed to:

FIDELITY & DEP CO OF MARYLAND
PO BOX 1227
BALTIMORE MD 21203
JR

4a. Article Number
992-134

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
11/24/95

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3814, December 1991 U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

3. Article Addressed to:

EUGENE LUSBAUGH
FIDELITY SURETY CLAIM DIV
USF&G INSURANCE
PO BOX 1138
BALTIMORE MD 21203-1138
JR

4a. Article Number
P-987-892-145

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
NOV 31 1995

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 **DOMESTIC RETURN RECEIPT**

RECEIVED JUN - 7 1995 OIL CON DIST.

Is your RETURN ADDRESS completed on the reverse side?

Thank you for using Return Receipt.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
- 2. Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
 JOHN CARANTA
 20 RD 3970
 FARMINGTON NM 87401
 JR

RECEIVED
 MAY 31 1995
 OIL CONT. DIV.
 DIST. \$

4a. Article Number
 P-987-892-146

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
 5/30/95

5. Signature (Addressee)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
- 2. Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
 JOHN CARANTA
 20 RD 3970
 FARMINGTON NM 87401
 JR

4a. Article Number
 P-987-892-130

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery

5. Signature (Addressee)
 Jana Caranta

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

POST OFFICE
 FARMINGTON NM

Thank you for using Return Receipt Service



CARAPPA #1 - J-28-32 N-1W
5-18-95

NO. OF COPIES RECEIVED		
DISTRIBUTION		
SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION

30-039-22806
Form C-101
Revised 1-1-85

RECEIVED
AUG 10 1981

5A. Indicate Type of Lease
STATE FEE
6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
b. Type of Well DRILL DEEPEN PLUG BACK
OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. Name of Operator
AZTEC ENERGY CORP.

3. Address of Operator
1206 E. 20th Farmington, NM 87401

4. Location of Well
UNIT LETTER J LOCATED 1980 FEET FROM THE South LINE
AND 1980 FEET FROM THE East LINE OF SEC. 23 TWP. 32N RGE. 1W NMPM

7. Well Agreement Name
8. Farm or Lease Name
Caranta
9. Well No.
1
10. Field and Pool, or Wildcat
Wild Cat Dakota
12. County
Rio Arriba

19. Proposed Depth
3000
19A. Formation
Dakota
20. Rotary or C.T.
Rotary

21. Elevations (Show whether DF, RT, etc.)
7133' G.L.
21A. Kind & Status Plug. Bond
State wide
21B. Drilling Contractor
Unknown
22. Approx. Date Work will start
September 15, 1981

23. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4	8 5/8	24	150	150	Surf
7 7/8	4 1/2	10.5	3000	400	1000'

A 10" 900 series b.o.p. will be in operation for all drilling below the surface casing. An adequate mud supply will be maintained on location to control any formation flow.

APPROVAL VALID
FOR 6300 UNLESS
DRILLING COMMENCED
EXPIRES 2-18-82

ENERGY AND MINERALS DEPARTMENT
Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

RECEIVED
AUG 12 1981
OIL CON. COM.
DIST. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed John Alexander Title Agent Date 8/7/81

(This space for State Use)

APPROVED BY Frank J. Chang TITLE SUPERVISOR DISTRICT # 3 DATE AUG 18 1981

CONDITIONS OF APPROVAL, IF ANY:

All distances must be from the outer boundaries of the Section.

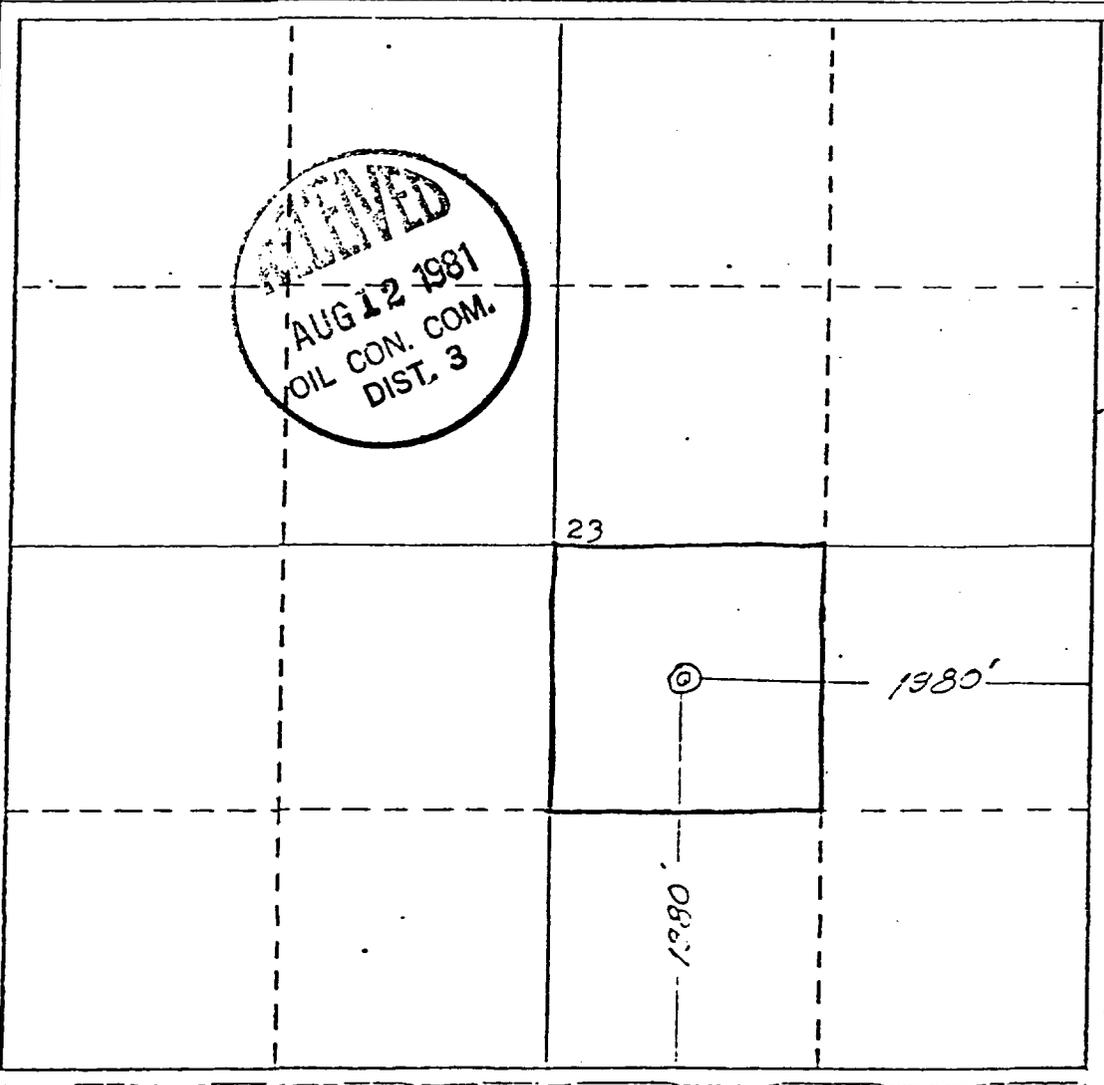
Operator AZTEC ENERGY CORPORATION		Lease Caranta		Well No. 1
Unit Letter J	Section 23	Township 32 NORTH	Range 1 WEST	County RIO ARriba
Actual Footage Location of Wells 1980 feet from the SOUTH line and 1980 feet from the EAST line				
Ground Level Elev. 7133	Producing Formation Dakota	Pool Undesignated Dakota	Dedicated Acreages 40	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to well interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

John Alexander
Name

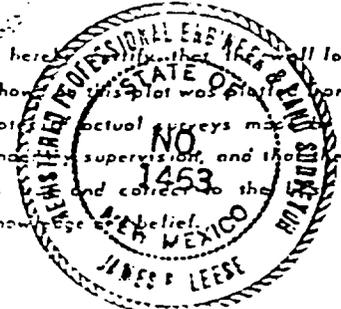
John Alexander

Position
Agent

Company
Aztec Energy

Date
8/7/81

I hereby certify that the information shown on this plat was obtained from not only actual surveys made under my supervision, and that the same is and correct to the best of my knowledge and belief.



Date Surveyed
3 August 1981

Registered Professional Engineer and Land Surveyor
James P. Leese
James P. Leese

Certificate No.
1463

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

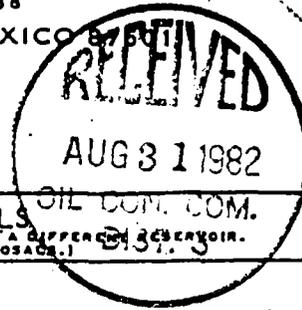
NO. OF COPIES RECEIVED		
DISTRIBUTION		
SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1



5a. Indicate Type of Lease
State Fee
5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL GAS WELL OTHER-
2. Name of Operator: CARDEL OIL COMPANY
3. Address of Operator: Box 3207, FARMINGTON, NM 87401
4. Location of Well: UNIT LETTER J, 1980 FEET FROM THE SOUTH LINE AND 1980 FEET FROM THE EAST LINE, SECTION 23 TOWNSHIP 32N RANGE 1W NMPM.

7. Unit Agreement Name
8. Farm or Lease Name: CARANTA
9. Well No.: 1
10. Field and Pool, or Wildcat: WC DAKOTA

15. Elevation (Show whether DF, RT, GR, etc.): 7133 GR

12. County: RIO ARRIBA

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <u>OPERATOR CHANGE</u> <input checked="" type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER <input type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

9-9-81 SPUD WELL

9-12-81 RUN SURFACE CASINGS AS FOLLOWS: 5 JTS. 8 5/8" 23# X-42 CGS. 206.82
1 GUIDE SHOE 1.0'
K.B. 13.18
LANDED AT 221.04

RU WOODCO AND CEMENT SURFACE WITH 250 SKS. CLASS B+2% CACL + 1/4# CELLO FLAKE. GOOD CIRCULATION THROUGHOUT JOB. CIRCULATE 5BBLs. SLURRY AT SURFACE, DISPLACE WITH WATER, LEFT 30' CEMENT IN PIPE.

8-25-82 OPERATOR CHANGED FROM AZTEC ENERGY CORPORATION.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED [Signature] TITLE MANAGER DATE 8/26/82

APPROVED BY Original signed by Frank Chavez TITLE DISTRICT SUPERVISOR DATE Sept 7, 1982

CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

NO. OF COPIES RECEIVED		
DISTRIBUTION		
SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

5a. Indicate Type of Lease
 State Fee
 5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL GAS WELL OTHER-
 2. Name of Operator
Aztec Energy Corporation
 3. Address of Operator
1206 East 20th Street, Farmington, New Mexico 87401
 4. Location of Well
 UNIT LETTER J 1980 FEET FROM THE South LINE AND 1980 FEET FROM
East THE LINE, SECTION 23 TOWNSHIP 32N RANGE 1W N.M.P.M.

7. Unit Agreement Name
 8. Farm or Lease Name
Caranta
 9. Well No.
#1
 10. Field and Pool, or Wildcat
Wild Cat Dakota
 12. County
Rio Arriba

15. Elevation (Show whether DF, RT, GR, etc.)
7133' G.L.

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOBS <input type="checkbox"/>	OTHER <u>* Abandon, lease expired</u> <input type="checkbox"/>

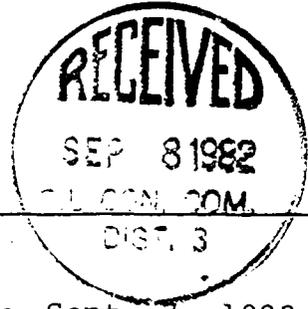
17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

9-9-81 Spud Well.

9-12-81 Run surface casings as follows: 5 jts. 8 5/8" 23# X-42 cgs. 206.82
 1 guide shoe 1/0
 K.B. 13.18
 Landed at 221.18

RU Woodco and cement surface with 250 sks. Class B + 2% CaCl + 1/4# Cello Flake. Good circulation throughout job. Circulate 5 bbls. slurry at surface, displace with water, left 30' cement in pipe.

9-25-82 Well not drilled to TD, lease expired, ~~abandoned well~~.



18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED Ron Allen TITLE Geologist DATE Sept. 7, 1982

APPROVED BY _____ TITLE SUPERVISOR DISTRICT # 3 DATE SEP 8 1982

NO. OF COPIES RECEIVED		
DISTRIBUTION		
SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR.
USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER- <u>WILDCAT</u>	7. Unit Agreement Name
2. Name of Operator <u>Cardel Oil Co</u>	8. Farm or Lease Name <u>CABANTA</u>
3. Address of Operator <u>1008 N. Monterey Farmington N. Mex</u>	9. Well No. <u>1</u>
4. Location of Well UNIT LETTER <u>J</u> <u>1990</u> FEET FROM THE <u>S</u> LINE AND <u>1980</u> FEET FROM THE <u>E</u> LINE, SECTION <u>23</u> TOWNSHIP <u>32N</u> RANGE <u>1W</u> N.M.P.M.	10. Field and Pool, or Wildcat <u>WC DAKOTA</u>
15. Elevation (Show whether DF, RT, GR, etc.) <u>7133 GL</u>	12. County <u>RA</u>

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOBS <input type="checkbox"/>	

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Drilled out from under surface with cable tool on July 15, 1982

Set 7" casing to shut off water June 6, 1984

Operation suspended Dec. 8, 1984 for winter

Moved rig to drill another hole, will be back.

RECEIVED
MAY 10 1985
OIL CON. DIV.
DIST. 3

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED Charles Gholson TITLE Inspector DATE 5/4/85

Original Signed by CHARLES GHOLSON
APPROVED BY _____ DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE MAY 10 1985

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.O.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL GAS WELL OTHER- wildcat

2. Name of Operator Cardel Oil Co

3. Address of Operator 1008 N. Monterey Farmington N. Mex

4. Location of Well
UNIT LETTER J 1980 FEET FROM THE S LINE AND 1980 FEET FROM
THE E LINE, SECTION 23 TOWNSHIP 32N RANGE 1W NMPM.

7. Unit Agreement Name

8. Farm or Lease Name Coranto

9. Well No. 1

10. Field and Pool, or Wildcat WC Dakota

15. Elevation (Show whether DF, RT, GR, etc.) 7133 GL

12. County RA

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK

TEMPORARILY ABANDON

PULL OR ALTER CASING

OTHER

PLUG AND ABANDON

CHANGE PLANS

SUBSEQUENT REPORT OF:

REMEDIAL WORK

COMMENCE DRILLING OPNS.

CASING TEST AND CEMENT JOB

OTHER

ALTERING CASING

PLUG AND ABANDONMENT

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Request for temporary abandonment.

TEMPORARY ABANDONMENT
EXPIRES November 10, 1985

RECEIVED
MAY 10 1985
OIL CON. DIV.
DIST. 3

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED John DeWitt TITLE Driller DATE 5/4/85

Original Signed by CHARLES GHOLSON

DEPUTY OIL & GAS INSPECTOR, DIST. #3

DATE MAY 10 1985

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.O.S.	
LAND OFFICE	
OPERATOR	

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-10
Revised 1

5a. Indicate Type of Lease
State Fee
5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL GAS WELL OTHER- Oil well

2. Name of Operator Wood Oil Co

3. Address of Operator 1668 N. Huntington Ave. Santa Fe, NM

4. Location of Well
UNIT LETTER J 1780 FEET FROM THE S LINE AND 1987 FEET FROM THE F LINE, SECTION 33 TOWNSHIP 22N RANGE 11W NMPM.

15. Elevation (Show whether DF, RT, GR, etc.) 7133 E.L.

7. Unit Agreement Name

8. Farm or Lease Name W.C. Makota

9. Well No. 1

10. Field and Pool, or WHdcat W.C. Makota

12. County B.A.

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING

TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT

PULL OR ALTER CASING OTHER CASING TEST AND CEMENT JOB

OTHER _____

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any work) SEE RULE 1103.

Request for extension of 6 months for temporary abandonment.

FINAL EXTENTION

RECEIVED
DEC 09 1985
OIL CON. DIV.
DIST. 2

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED Frank T. Chavez TITLE Deputy DATE 12/9/85

APPROVED BY Original Signed by FRANK T. CHAVEZ TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DEC - 9 1985

CONDITIONS OF APPROVAL, IF ANY:



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

TONEY ANAYA
GOVERNOR

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-8178

December 5, 1985

Cardell Oil Co.
1008 N. Monterey
Farmington, NM 87401

Re: Caranta #1 E-23-32N-1W

Gentlemen:

Approval for temporary abandonment on the referenced well expired November 10, 1985. You may either request a six months extension of the temporary abandonment, resume immediate drilling activity, or plug and abandon the well in accordance with a Division approved plugging program.

Failure to comply will result in a case being called for Cardell Oil Co., Fidelity and Deposit Company, and all other interested parties to appear and show cause why the Caranta #1, should not be plugged and abandoned in accordance with a Division approved plugging program.

If you have any questions, please contact this office.

Yours truly,

A handwritten signature in cursive script that reads "Charles Gholson".

Charles Gholson
Oil & Gas Inspector

CG/dj

xc: Jeff Taylor
Well File

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.O.S.	
LAND OFFICE	
OPERATOR	

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1

5a. Indicate Type of Lease
State Fee
5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL GAS WELL OTHER WILDCAT

2. Name of Operator SABRALL Oil Co.

3. Address of Operator 215 N. MONTGOMERY FARMINGTON 87401

4. Location of Well
UNIT LETTER A 1486 FEET FROM THE S. LINE AND 1481 FEET FROM
THE 1 LINE, SECTION 33 TOWNSHIP 32 N. RANGE 16 NMPM.

7. Unit Agreement Name
8. Farm or Lease Name BARANTA

9. Well No. 1

10. Field and Pool, or Wildcat 11.5 TANK 01A

15. Elevation (Show whether DF, RT, GR, etc.) 7133 (1)

12. County RA

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK

TEMPORARILY ABANDON

PULL OR ALTER CASING

OTHER _____

PLUG AND ABANDON

CHANGE PLANS

OTHER _____

SUBSEQUENT REPORT OF:

REMEDIAL WORK

COMMENCE DRILLING OPNS.

CASING TEST AND CEMENT JOB

OTHER _____

ALTERING CASING

PLUG AND ABANDONMENT

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Request permitted to drill, complete, and plug back for initial drilling, and that the plugging request be cancelled.

PLUGGING ORDER WILL NOT BE CANCELLED. *CG*

ORDER # R-8304 WILL BE EXTENDED TO NOVEMBER 15, 1986

RECEIVED
OCT 15 1986
OIL CON. DIV.
DIST. 2

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED Charles Gholson TITLE Operator DATE 10/15/1986

APPROVED BY Original Signed by CHARLES GHOLSON DEPUTY OIL & GAS INSPECTOR, DIST. 2 DATE OCT 16 1986

CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

103
Form C-104
Revised 1-1-89

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

Change of operator

API NO. (assigned by OCD on New Wells)
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input checked="" type="checkbox"/> PLUG BACK <input type="checkbox"/>			7. Lease Name or Unit Agreement Name CARANTA		
b. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>			SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		
2. Name of Operator CMS OILFIELD SERVICES, INC.			8. Well No. 1		
3. Address of Operator P.O. BOX 316 FARMINGTON, NM 87499			9. Pool name or Wildcat WC DAKOTA		
4. Well Location Unit Letter <u>J</u> : <u>1980</u> Feet From The <u>SOUTH</u> Line and <u>1980</u> Feet From The <u>EAST</u> Line Section <u>23</u> Township <u>32N</u> Range <u>1W</u> NMPM <u>RIO ARRIBA</u> County					
10. Proposed Depth 3400		11. Formation DAKOTA		12. Rotary or C.T. ROTARY	
13. Elevations (Show whether DF, RT, GR, etc.) 7133 GR		14. Kind & Status Plug. Bond ONE WELL		15. Drilling Contractor JC WELL SERVICE	
				16. Approx. Date Work will start 4/15/89	
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
10	8 5/8	23	221	250	CIRCULAR
8	7	17	1900	-	FORMATION

RE ENTERING CARANTA #1, PROPOSAL, EXTEND EXISTING HOLE FROM 2500 TO APPROX. 2950
8 5/8 set 221 w/f cement to surface, drilled 8 hole to 1900, run 7 and set on shoulder
w/f formation shut off drilled out 6'14" hole to 2580'. CMS Oilfield proposes to rig
up rotary operation w/f B.O.P. drilling a depth sufficient to test Dakota and top
of Morrison formation.

RECEIVED

APR 18 1989

OIL CON. DIV.
DIST. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE E. F. Webb TITLE PRESIDENT DATE 4-15-89
TYPE OR PRINT NAME E. F. WEBB TELEPHONE NO. 327-5772

(This space for State Use)

APPROVED BY [Signature] TITLE SUPERVISOR DISTRICT III DATE 4/28/89

CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-102
 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

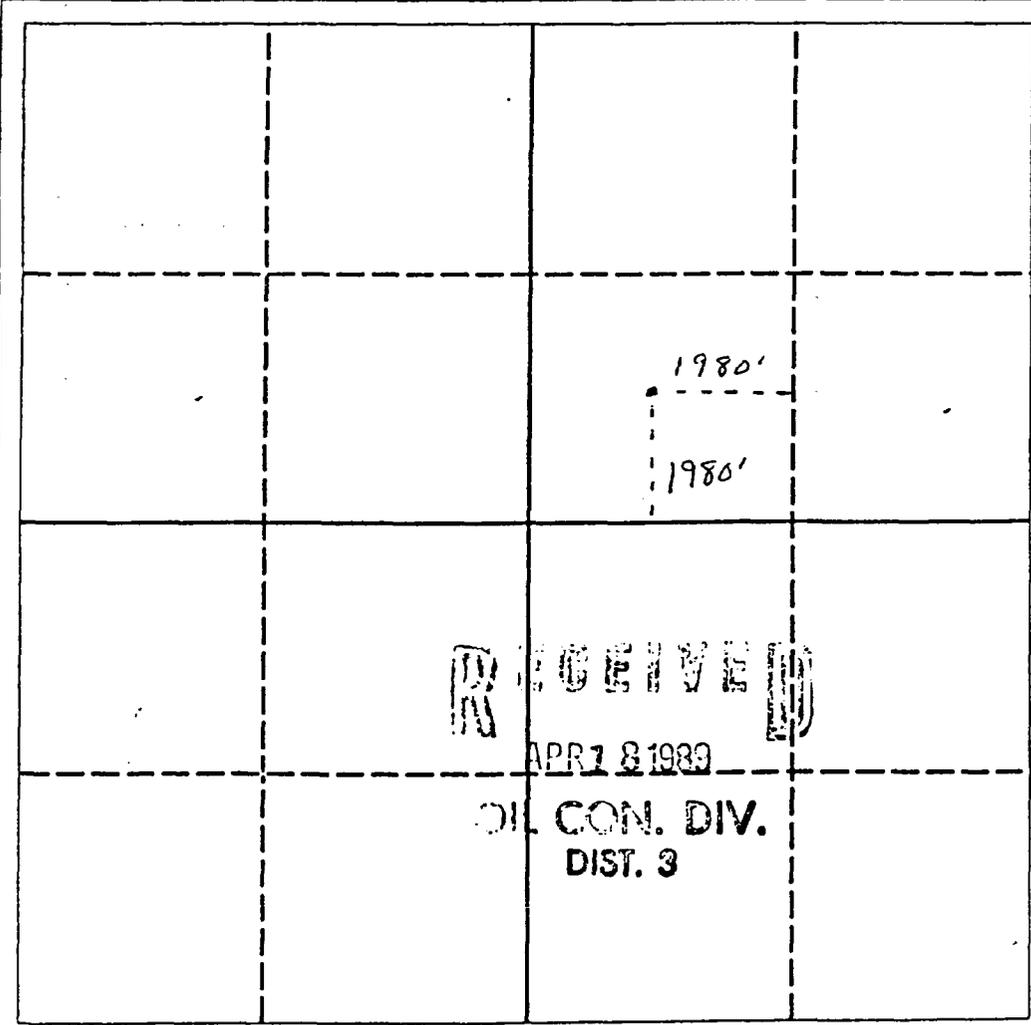
Operator CMS OILFIELD SERVICES, INC.			Lease CARANTA			Well No. 1		
Unit Letter J	Section 23	Township 32N	Range 1W	County NMPM RIO ARRIBA				
Actual Footage Location of Well: 1980 feet from the SOUTH line and 1980 feet from the EAST line								
Ground level Elev. 7133 GR		Producing Formation DAKOTA		Pool WC DAKOTA		Dedicated Acreage: 40 Acres		

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

 Yes No If answer is "yes" type of consolidation _____

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

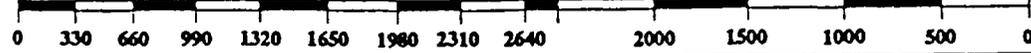
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *E. F. Webb*
 Printed Name: E. F. WEBB
 Position: PRESIDENT
 Company: CMS OILFIELD SERVICES, INC.
 Date: 4-15-89

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: 4-7-89
 Signature & Seal of Professional Surveyor: *James P. Lewis*
 Certificate No.: 1463





BRUCE KING
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

September 13, 1982



POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Cardel Oil
P. O. Box 3207
Farmington, New Mexico 87401

Re: \$5,000 One-Well Plugging Bond
John Caranta dba Cardel Oil,
Principal; Fidelity and Deposit
Company, Surety; 1980' FSL
and 1980' FEL of Sec. 23,
T-32-N, R-1-W, Rio Arriba County
Depth: 3,000 feet
Bond No. 9621744

Gentlemen:

The Oil Conservation Division hereby approves
the above-referenced one-well plugging bond effective
September 7, 1982.

Sincerely,

JOE D. RAMEY,
Director

dr/

cc: Oil Conservation Division
Aztec, New Mexico



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

TONEY ANAYA
GOVERNOR

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

July 15, 1986

Mr. Jeff Taylor
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Re: Cardell Oil Co.
Caranta #1 E-23-32N-01W

Dear Jeff:

Temporary abandonment of the referenced well expired June 9, 1986. In order to prevent waste, protect correlative rights and protect fresh water, please docket a case calling for Cardell Oil Co., Fidelity and Deposit Co. and all other interested parties to appear and show cause why the Caranta #1, located 1980 feet from the south line and 1980' from the west line of section 23-32 North 1 West, should not be plugged and abandoned in accordance with a Division approved plugging program.

Yours truly,

A handwritten signature in cursive script that reads "Charles Gholson".

Charles Gholson
Oil & Gas Inspector

CG/dj

xc: Well File



STATE OF NEW MEXICO
 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
 OIL CONSERVATION DIVISION

GARREY CARRUTHERS
 GOVERNOR

April 28, 1989

POST OFFICE BOX 2088
 STATE LAND OFFICE BUILDING
 SANTA FE, NEW MEXICO 87504
 (505) 827-5800

30-039-22806

CMS Oilfield Services, Inc.
 P. O. Box 316
 Farmington, New Mexico 87499

Attention: E. F. Webb

Re: \$5,000 One-Well Plugging Bond
 CMS Oilfield Services, Inc., Principal
 U. S. Fidelity and Guaranty, Surety
 1980' FSL and 1980' FEL of Sec. 23,
 T-32-N, R-1-W, Rio Arriba County
 Bond No. 01-0130-10204-89-1

PO BOX 1138 BALTIMORE
 MD 21203

Dear Mr. Webb:

The Oil Conservation Division hereby approves the above-referenced one-well plugging bond effective this date.

Sincerely,

WILLIAM J. LEMAN,
 Director

dr/

cc: Oil Conservation Division
 Aztec, New Mexico

RECEIVED
 MAY 02 1989
 OIL CON. DIV.
 DIST. 3



STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DIVISION
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

June 20, 1994

Certified: P 987 892 079

E F WEBB
CMS OILFIELD SERVICES INC
PO BOX 316
FARMINGTON NM 87499

RE: CARANTA #1 23°12N-01W

Dear Mr. Webb,

It has been brought to my attention that no reports have been filed on the above referenced well since your company was approved as operator on April 28, 1989. An inspection conducted by personnel from this office on June 17, 1994 revealed that no apparent effort has been made to deepen and test the well as stated on a Sundry report received April 18, 1989.

You are hereby directed to file form C-103, as an intent to resume operations on or before July 20, 1994. Failure to comply will result in a case being called for CMS Oilfield Services Inc., US Fidelity and Guaranty, Surety and all other interested parties to appear and show cause why the Caranta #1 should not be plugged and abandoned in accordance with a division approved plugging program. After the intent has been received and approved you will be given 90 to 180 days to initiate activity.

If you have any questions you may call me at 334-6178.

Yours truly

Charles Gholson
Deputy Oil & Gas Inspector

CG/cs

xc: Rand Carroll, Counsel for OCD
US Fidelity and Guaranty, Surety
PO Box 1138 Baltimore MD 21203
Well File



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE



GARY E. JOHNSON
GOVERNOR

JENNIFER A. SALISBURY
CABINET SECRETARY

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

Certified: P-987-892-130

January 27, 1995

John Caranta
20 Rd 3970
Farmington NM 87401

RE: Caranta #1, J-23-32N-01W, #30-039-22806

Dear John:

As established in our conversation of Thursday, January 26, 1995, you will need to bring the Caranta #1 up to date via the completion of a form C-103 showing a change of operator from CMS Oilfield Service back to you John Caranta, or Cardel Oil Company, along with your stated intention for further work on the above referenced well. A new plugging bond will also have to be submitted under the new operator's name.

Please be advised that you are in violation of rule #101 of the NM Rules & Regulations Manual which requires a current plugging bond for each well. Also, rule #201 requires a well to be properly abandoned if there is a period of one year in which a well has been continuously inactive.

Please submit a C-103 (a blank form is enclosed) and the plugging bond within 30 days to avoid a possible fine.

Sincerely,

Johnny Robinson
Deputy Oil & Gas Inspector

JR/sh

enc

cc: ~~well file~~
JR file

4/11/95

Dear Johnny,

As per our conversation on 4/10/95,
I am in the process of changing operators.
If I am unable to find a new lessee
then I will plug the well. I should know
something in about 30 days.

Sincerely,

John Caranta

RECEIVED
R APR 12 1995
OIL CON. DIV.
DIST. 8

Submit to Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

103
 Form C-194
 Revised 1-1-89

OIL CONSERVATION DIVISION
 P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

Change of operator

API NO. (assigned by OCD on New Wells)
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input checked="" type="checkbox"/> PLUG BACK <input type="checkbox"/>			7. Lease Name or Unit Agreement Name CARANTA		
b. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>					
2. Name of Operator CMS OILFIELD SERVICES, INC.			8. Well No. 1		
3. Address of Operator P.O. BOX 316 FARMINGTON, NM 87499			9. Pool name or Wildcat WC DAKOTA		
4. Well Location Unit Letter <u>J</u> : 1980 Feet From The <u>SOUTH</u> Line and 1980 Feet From The <u>EAST</u> Line Section <u>23</u> Township <u>32N</u> Range <u>1W</u> NMPM <u>RIO ARRIBA</u> County					
10. Proposed Depth 3400		11. Formation DAKOTA		12. Rotary or C.T. ROTARY	
13. Elevations (Show whether DF, RT, GR, etc.) 7133 GR		14. Kind & Status Plug. Bond ONE WELL		15. Drilling Contractor JC WELL SERVICE	
16. Approx. Date Work will start 4/15/89					
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
10	8 5/8	23	221	250	CIRCULAR
8	7	17	1900	-	FORMATION

RE ENTERING CARANTA #1, PROPOSAL, EXTEND EXISTING HOLE FROM 2500 TO APPROX. 2950 8 5/8 set 221 w/f cement to surface, drilled 8 hole to 1900, run 7 and set on shoulder w/f formation shut off drilled out 6'14" hole to 2580'. CMS Oilfield proposes to rig up rotary operation w/f B.O.P. drilling a depth sufficient to test Dakota and top of Morrison formation.

RECEIVED
 APR 18 1989
 OIL CON. DIV
 DIST. 3

RECEIVED
 JUL 20 1989
 OIL CONSERVATION DIV.
 SANTA FE

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE E.F. Webb TITLE PRESIDENT DATE 4-15-89
 TYPE OR PRINT NAME E.F. WEBB TELEPHONE NO. 327-5772

(This space for State Use) APPROVED BY <u>[Signature]</u> CONDITIONS OF APPROVAL, IF ANY:	BEFORE EXAMINER STOGNER SHERIFF DISTRICT NO. 5 OIL CONSERVATION DIVISION <u>OCD</u> EXHIBIT NO. <u>1</u> CASE NO. <u>11498</u>	DATE <u>4/28/89</u>
---	--	---------------------

Submit to Appropriate District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-102
 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

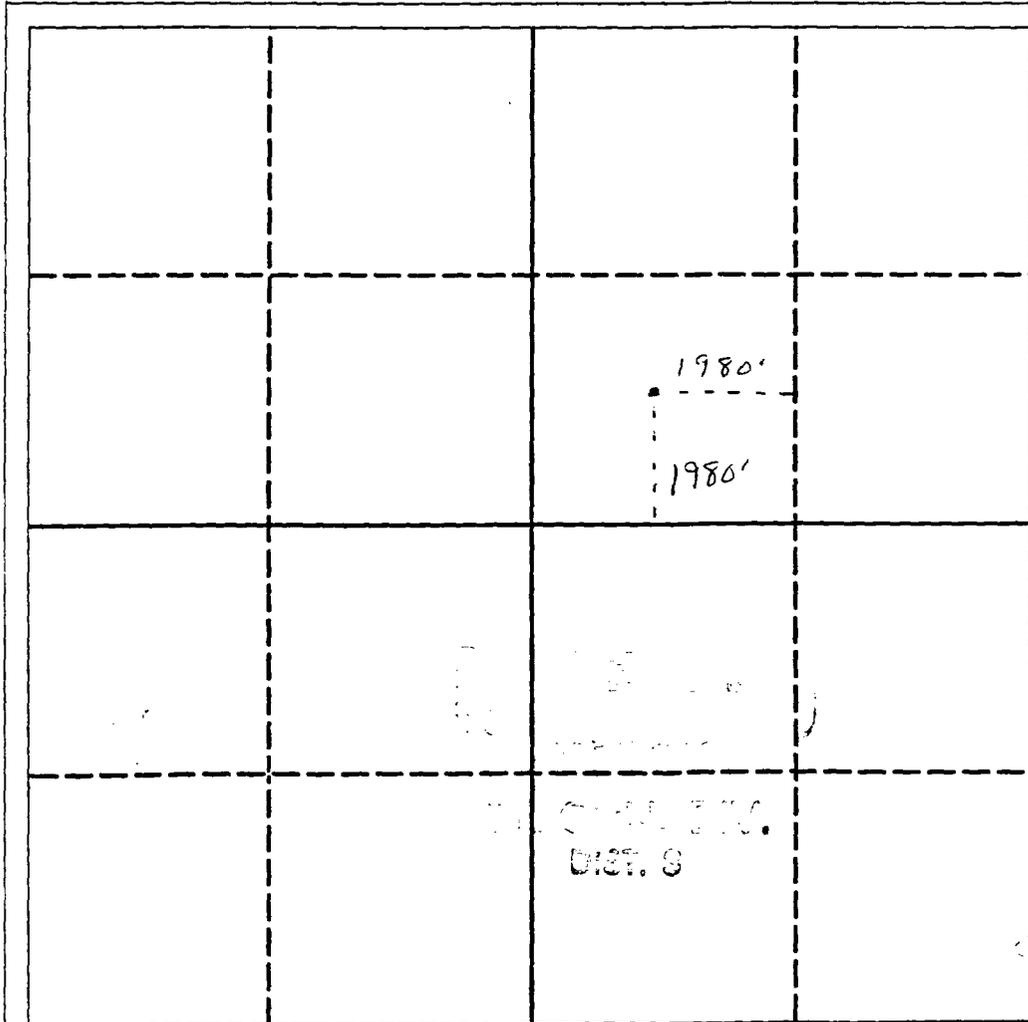
Operator CMS OILFIELD SERVICES, INC.			Lease CARANTA		Well No. 1
Unit Letter J	Section 23	Township 32N	Range 1W	County NMPM RIO ARRIBA	
Actual Footage Location of Well: 1980 feet from the SOUTH line and 1980 feet from the EAST line					
Ground level Elev. 7133 GR	Producing Formation DAKOTA		Pool WC DAKOTA	Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

Yes No If answer is "yes" type of consolidation _____

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
E.F. Webb

Printed Name
 E.F. WEBB

Position
 PRESIDENT

Company
 CMS OILFIELD SERVICES, INC.

Date
 6-4-89

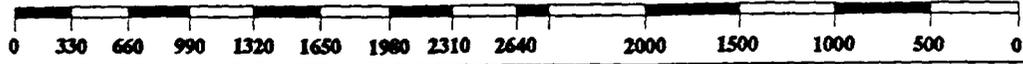
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
 7-7-81

Signature & Seal of Professional Surveyor
James P. Lease

Certificate No.
 1463



OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-73

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input checked="" type="checkbox"/> <u>WILDCAT</u>	7. Unit Agreement Name
2. Name of Operator <u>CARDELL OIL CO.</u>	8. Farm or Lease Name <u>PARANTA</u>
3. Address of Operator <u>1115 N. MONTICELLY HARMINGTON 87461</u>	9. Well No. <u>1</u>
4. Location of Well UNIT LETTER <u>D</u> <u>1986</u> FEET FROM THE <u>S</u> LINE AND <u>1486</u> FEET FROM THE <u>E</u> LINE, SECTION <u>23</u> TOWNSHIP <u>22 N.</u> RANGE <u>16</u> NMPM.	10. Field and Pool, or Wildcat <u>112 PARANTA</u>
15. Elevation (Show whether DF, RT, GR, etc.) <u>7123 CL</u>	12. County <u>RA</u>

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOBS <input type="checkbox"/>
OTHER <input type="checkbox"/>	OTHER <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1503.

Request for permit to drill, and plug back to a different reservoir, to be cancelled.

PLUGGING ORDER WILL NOT BE
CANCELLED. *CJ*
ORDER # R-8304 WILL BE EXTENDED
TO NOVEMBER 15, 1986

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED Gene A. Wilkins TITLE Operator DATE 10-15-86

APPROVED BY Charles Johnson TITLE _____ DATE 10-16-86

CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION DIVISION

P.O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

DEC 18 1985
OIL CONSERVATION DIVISION
SANTA FE

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL GAS WELL OTHER *Oil Well*

2. Name of Operator *Grand Oil Co*

3. Address of Operator *1608 N. Myrtle Street, Santa Fe, NM*

4. Location of Well
UNIT LETTER *J* *1980* FEET FROM THE *S* LINE AND *1250* FEET FROM THE *F* LINE, SECTION *23* TOWNSHIP *32N* RANGE *1W* NMPM.

7. Unit Agreement Name

8. Farm or Lease Name *Grand*

9. Well No. *1*

10. Field and Pool, or Wildcat *W.C. DAKOTA*

15. Elevation (Show whether DF, RT, GR, etc.) *7133 G.L.*

12. County *BA*

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK

TEMPORARILY ABANDON

PULL OR ALTER CASING

OTHER

PLUG AND ABANDON

CHANGE PLANS

SUBSEQUENT REPORT OF:

REMEDIAL WORK

COMMENCE DRILLING OPNS.

CASING TEST AND CEMENT JOB

OTHER

ALTERING CASING

PLUG AND ABANDONMENT

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

*Request for extension of 6 months
Temporary abandonment.*

FINAL EXTENSION CB

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED *Charles G. Hobson* TITLE *Geologist* DATE *11/9/85*

APPROVED BY *Charles G. Hobson* TITLE *Geologist* DATE *12-9-85*

CONDITIONS OF APPROVAL, IF ANY:

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER- <u>Wildcat</u>	7. Unit Agreement Name
2. Name of Operator <u>Cardel Oil Co</u>	8. Farm or Lease Name <u>Coranto</u>
3. Address of Operator <u>1008 N. Monterey Farmington, N.M.</u>	9. Well No. <u>1</u>
4. Location of Well UNIT LETTER <u>J</u> <u>1980</u> FEET FROM THE <u>S</u> LINE AND <u>1980</u> FEET FROM THE <u>E</u> LINE, SECTION <u>23</u> TOWNSHIP <u>32N</u> RANGE <u>1W</u> NMPM.	10. Field and Pool, or Wildcat <u>WC Dakota</u>
15. Elevation (Show whether DF, RT, GR, etc.) <u>7133 GL</u>	12. County <u>BA</u>

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER <input checked="" type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Request for temporary abandonment.

6 months

November 10, 1985

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED Gloria DeWilbuis TITLE Driller DATE 5/9/85

APPROVED BY Charles Hoban DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE MAY 10 1985

CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW-MEXICO 87501

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.O.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER- <u>WILDCAT</u>	7. Unit Agreement Name
2. Name of Operator <u>Cardel Oil Co</u>	8. Farm or Lease Name <u>CARANTA</u>
3. Address of Operator <u>1008 N. Monterey Farmington N. Mex</u>	9. Well No. <u>1</u>
4. Location of Well UNIT LETTER <u>J</u> <u>1980</u> FEET FROM THE <u>S</u> LINE AND <u>1980</u> FEET FROM THE <u>E</u> LINE, SECTION <u>23</u> TOWNSHIP <u>32N</u> RANGE <u>1W</u> NMPM.	10. Field and Pool, or Wildcat <u>WC DAKOTA</u>
15. Elevation (Show whether DF, RT, GR, etc.) <u>7133 GL</u>	12. County <u>RA</u>

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER <input checked="" type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Drilled out from under surface with cable tool on July 15, 1982

Set 7" casing to shut off water June 6, 1984

Operation suspended Dec. 8, 1984 for winter

Moved rig to drill another hole, will be back.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED Glen D. Wilkiss TITLE Driller DATE 5/9/85

APPROVED BY Charles Holton TITLE DEPUTY OIL & GAS INSPECTOR DIST. #13 DATE MAY 10 1985

CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-79

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL GAS WELL OTHER-

2. Name of Operator
CARDEL OIL COMPANY

3. Address of Operator
BOX 3207, FARMINGTON, NM 87401

4. Location of Well
UNIT LETTER **J** **1980** FEET FROM THE **SOUTH** LINE AND **1980** FEET FROM
THE **EAST** LINE, SECTION **23** TOWNSHIP **32N** RANGE **1W** NMPM.

7. Unit Agreement Name

8. Farm or Lease Name
CARANTA

9. Well No.
1

10. Field and Pool, or Wildcat
WC DAKOTA

15. Elevation (Show whether DF, RT, GR, etc.)
7133 GR

12. County
RIO ARRIBA

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK

TEMPORARILY ABANDON

PULL OR ALTER CASING

OTHER OPERATOR CHANGE

REMEDIAL WORK

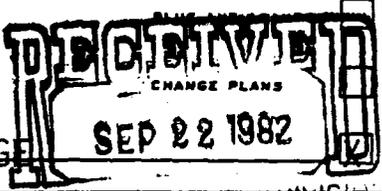
COMMENCE DRILLING OPNS.

CASING TEST AND CEMENT JOBS

OTHER _____

ALTERING CASING

PLUG AND ABANDONMENT



17. Describe Proposed or Completed Operation (Show location and pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

9-9-81 SPUD WELL

9-12-81 RUN SURFACE CASINGS AS FOLLOWS:

5 JTS, 8 5/8" 23# X-42 CGS.	206.82'
1 GUIDE SHOE	1.0'
K.B.	13.18'
LANDED AT	221.04'

RU WOODCO AND CEMENT SURFACE WITH 250 SKS. CLASS B+2% CACL + 1/4# CELLO FLAKE. GOOD CIRCULATION THROUGHOUT JOB. CIRCULATE 5BBLs. SLURRY AT SURFACE, DISPLACE WITH WATER, LEFT 30' CEMENT IN PIPE.

8-25-82 OPERATOR CHANGED FROM AZTEC ENERGY CORPORATION.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED [Signature] TITLE MANAGER DATE 8/26/82

APPROVED BY [Signature] TITLE DISTRICT SUPERVISOR DATE 9-7-82

CONDITIONS OF APPROVAL, IF ANY:

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL GAS WELL OTHER- _____

2. Name of Operator
Aztec Energy Corporation

3. Address of Operator
1206 East 20th Street, Farmington, New Mexico 87401

4. Location of Well
UNIT LETTER J 1980 FEET FROM THE South LINE AND 1980 FEET FROM
THE East LINE, SECTION 23 TOWNSHIP 32N RANGE 1W NMPM.

7. Unit Agreement Name

8. Farm or Lease Name
Caranta

9. Well No.
#1

10. Field and Pool, or WHDCat
Wild Cat Dakota

15. Elevation (Show whether DF, RT, GR, etc.)
7133' G.L.

12. County
Rio Arriba

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK

TEMPORARILY ABANDON

PULL OR ALTER CASING

OTHER _____

PLUG AND ABANDON

CHANGE PLANS

SUBSEQUENT REPORT OF:

REMEDIAL WORK

COMMENCE DRILLING OPNS.

CASING TEST AND CEMENT JOB

OTHER * Abandon, lease expired

ALTERING CASING

PLUG AND ABANDONMENT

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

9-9-81 Spud Well.

9-12-81 Run surface casings as follows: 5 jts. 8 5/8" 23# X-42 cgs. 206.82'
1 guide shoe 1/0'
K.B. 13.18'
Landed at 221.18'

RU Woodco and cement surface with 250 sks. Class B + 2% CaCl + 1/4# Cello Flake. Good circulation throughout job. Circulate 5 bbls. slurry at surface, displace with water, left 30' cement in pipe.

9-25-82 Well not drilled to TD, lease expired, abandoned well.

SEP 22 1982
OIL CONSERVATION DIVISION
SANTA FE

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED Ron Allen TITLE Geologist DATE Sept. 7, 1982

APPROVED BY [Signature] TITLE _____ DATE _____

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

50 039-2280-6
NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE

5A. Indicate Type of Lease
STATE FEE

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			7. Unit Agreement Name
b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>			8. Farm or Lease Name Caranta
2. Name of Operator AZTEC ENERGY CORP.			9. Well No. 1
3. Address of Operator 1206 E. 20th Farmington, NM 87401			10. Field and Pool, or Wildcat Wild Cat Dakota
4. Location of Well UNIT LETTER J LOCATED 1980 FEET FROM THE South LINE AND 1980 FEET FROM THE East LINE OF SEC. 23 TWP. 32N RGE. 1W NMPM			12. County Rio Arriba
19. Proposed Depth 3000		19A. Formation Dakota	20. Rotary or C.T. Rotary
21. Elevations (Show whether DF, RT, etc.) 7133' G.L.	21A. Kind & Status Plug. Bond State wide	21B. Drilling Contractor Unknown	22. Approx. Date Work will start September 15, 1981

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4	8 5/8	24	150	150	Surf
7 7/8	4 1/2	10.5	3000	400	1000'

A 10" 900 series b.o.p. will be in operation for all drilling below the surface casing. An adequate mud supply will be maintained on location to control any formation flow.

SEP 15 1981
NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE
EXPIRES 2-19-82
ENERGY DIVISION
Oil Conservation
1008 N 5th Street
Aztec, New Mexico 87410
AUG 25 1981
OIL CON. COM.
DIST. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed John Alexander Title Agent Date 8/7/81
(This space for State Use)

APPROVED BY Frank J. Chazy TITLE Director DATE 8-18-81

CONDITIONS OF APPROVAL, IF ANY:

All distances must be from the outer boundaries of the Section.

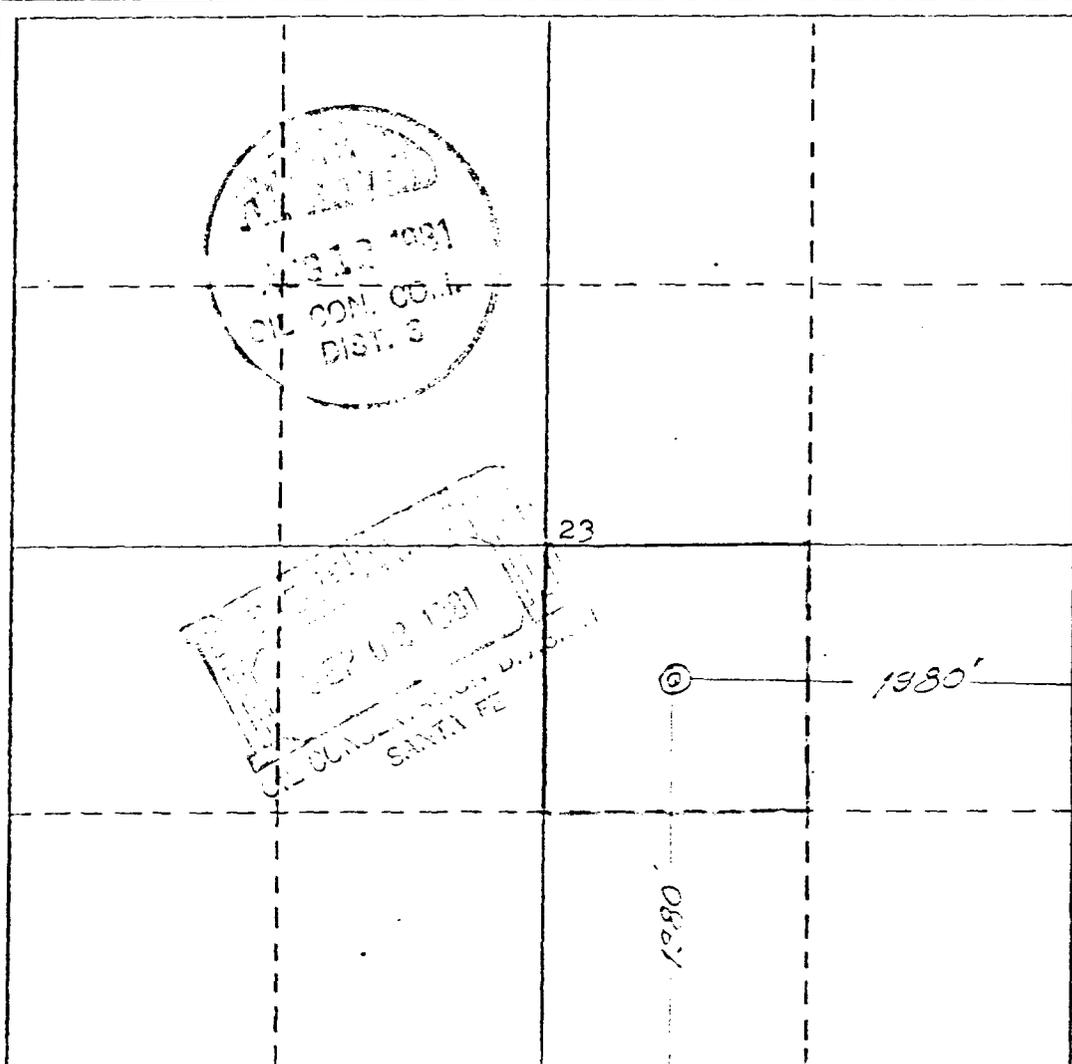
Operator AZTEC ENERGY CORPORATION		Lease Caranta		Well No. 1
Unit Letter J	Section 23	Township 32 NORTH	Range 1 WEST	County RIO ARriba
Actual Footage Location of Well: 1980 feet from the SOUTH line and 1980 feet from the EAST line				
Ground Level Elev. 7133	Producing Formation Dakota	Pool Undesignated Dakota	Dedicated Acreage: 40	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

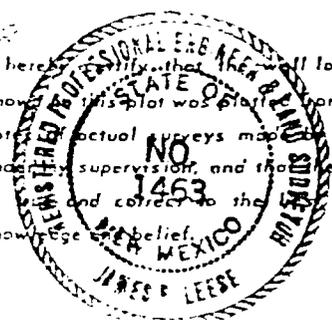
John Alexander
Name
John Alexander

Position
Agent

Company
Aztec Energy

Date
8/7/81

I hereby certify that the well location shown on this plat was plotted from field notes and actual surveys made by me or under my supervision, and that same is true and correct to the best of my knowledge and belief.



Date Surveyed
3 August 1981

Registered Professional Engineer and/or Land Surveyor
James P. Leese
James P. Leese

Certificate No.
1463

RECEIVED
SEP 17 1979
OIL CONSERVATION DIVISION
SANTA FE

STATE OF NEW MEXICO

ONE-WELL PLUGGING BOND

FOR CHAVES, EDDY, LEA, MCKINLEY, RIO ARRIBA, ROOSEVELT,
SANDOVAL, AND SAN JUAN COUNTIES ONLY

BOND NO. 9SE064857
(For Use of Surety Company)
AMOUNT OF BOND \$5,000.00
COUNTY Chaves

NOTE: For wells less than 5,000 feet deep, the minimum bond is \$5,000.00*
For wells 5,000 feet to 10,000 feet deep, the minimum bond is \$7,500.00*
For wells more than 10,000 feet deep, the minimum bond is \$10,000.00

* Under certain conditions, a well being drilled under a \$5,000.00 or \$7,500.00 bond may be permitted to be drilled as much as 500 feet deeper than the normal maximum depth, i.e., a well being drilled under a \$5,000.00 bond may be permitted to go to 5,499 feet, and a well being drilled under a \$7,500.00 bond may be permitted to go to 10,500 feet (S. & R. Rule 10)

File with Oil Conservation Commission, P. O. Box 2088, Santa Fe 87501

KNOW ALL MEN BY THESE PRESENTS:

That H. W. Pace, an individual, (An individual) (a partnership)
(a corporation organized in the State of Texas, with its principal office in the city of
Midland, State of Texas and authorized to do business
in the State of New Mexico), as PRINCIPAL, and American Manufacturer's Mutual Insurance Co., a
corporation organized and existing under the laws of the State of Illinois,
and authorized to do business in the State of New Mexico, as SURETY, are held firmly bound unto the State of New
Mexico, for the use and benefit of the Oil Conservation Commission of New Mexico pursuant to Section 65-3-11, New
Mexico Statutes Annotated, 1953 Compilation, as amended, in the sum of Five Thousand (\$5,000.00)
Dollars lawful money of the United States, for the payment of which, well and truly to be made, said PRINCIPAL and
SURETY hereby bind themselves, their successors and assigns, jointly and severally, firmly by these presents.

The conditions of this obligation are such that:

WHEREAS, The above principal has heretofore or may hereafter enter into oil and gas leases, or carbon dioxide (CO₂) gas leases, or helium gas leases with the State of New Mexico; and

WHEREAS, The above principal has heretofore or may hereafter enter into oil and gas leases, or carbon dioxide (CO₂) gas leases, or helium gas leases on lands patented by the United States of America to private individuals, and on lands otherwise owned by private individuals; and

WHEREAS, The above principal, individually, or in association with one or more other parties, has commenced or may commence the drilling of one well not to exceed a depth of 5,000 feet, to prospect for and produce oil or gas, or carbon dioxide (CO₂) gas or helium gas, or does own or may acquire, or operate such well, or such well started by others on land embraced in said State oil and gas leases, or carbon dioxide leases, or helium gas leases, and on land patented by the United States of America to private individuals, and otherwise owned by private individuals, the identification and location of said well being State Lease No. LG016
330 ft. from S line & 660 ft. from E line (Here state exact legal subdivision by 10 Section 30, Township 10S (North)(South), Range E (East)(West), N.M.P.M.
Chaves County, New Mexico.

NOW, THEREFORE, If the above bounden principal and surety or either of them or their heirs or assigns, or any of them, shall fail to plug said well when dry or when abandoned in accordance with the rules, regulations, and orders of the Oil Conservation Commission of New Mexico in such way as to confine the oil, gas, and water in the strata in which they are found, and prevent them from escaping into other strata;

THEN, THEREFORE, This obligation shall be null and void; otherwise and in default of complete compliance with any and all of said obligations, the same shall remain in full force and effect.

BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION
OGD EXHIBIT NO. 2
CASE NO. 11495

H. W. Pace
PRINCIPAL
P.O. Box 7435 Midland, Texas 79703
Address
By H. W. Pace
Signature
Owner
Title

American Manufacturers Mutual Insurance Co.
SURETY
20 N. Wacker Drive, Chicago, Ill. 60606
Address
By Robert E. Ferguson
Attorney-in-fact
ROBERT E. FERGUSON

(Note: Principal, if corporation, affix corporate seal here.)

(Note: Cor porate seal here.)



ACKNOWLEDGEMENT FORM FOR NATURAL PERSONS

STATE OF New Mexico
COUNTY OF Eddy) ss.

On this 13th day of September, 19 79, before me personally appeared H. W. Pace, to me known to be the person (persons) described in and who executed the foregoing instrument and acknowledged that he (they) executed the same as his (their) free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

November 19, 1979
My Commission expires

Margaret J. Belshé
Notary Public

ACKNOWLEDGEMENT FORM FOR CORPORATION

STATE OF _____)
COUNTY OF _____) ss.

On this _____ day of _____, 19____, before me personally appeared _____, to me personally known who, being by me duly sworn, did say that he is _____ of _____ and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

My Commission expires

Notary Public

ACKNOWLEDGEMENT FORM FOR CORPORATE SURETY

STATE OF New Mexico
COUNTY OF Eddy) ss.

On this 13th day of September, 19 79, before me appeared Robert E. Ferguson, to me personally known, who, being by me duly sworn, did say that he is Attorney-in-fact of American Manufacturers Mutual Insurance Co. and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

November 19, 1979
My Commission expires

Margaret J. Belshé
Notary Public

(Note: Corporate surety attach power of attorney.)

APPROVED BY:

OIL CONSERVATION COMMISSION OF NEW MEXICO

By Joe Stanley

Date _____



POWER OF ATTORNEY

Serial No. **A 2309**
Dated **December 14, 1977**

KNOW ALL MEN BY THESE PRESENTS:

That the AMERICAN MANUFACTURERS MUTUAL INSURANCE COMPANY, a corporation organized and existing under the laws of the State of Illinois, and having its principal office in the Village of Long Grove, Illinois, does hereby appoint

ROBERT E. FERGUSON
ROBERT A. FERGUSON II

its true and lawful agent(s) and attorney(s)-in-fact, to make, execute, seal, and deliver during the period beginning with the date of issuance of this power and ending December 31, 1982, unless sooner revoked for and on its behalf as surety, and as its act and deed:

ADMINISTRATORS & EXECUTORS BONDS, provided the amount of no one bond exceeds \$50,000 when bond amount is double the appraised value of all personal property of the estate, otherwise \$25,000 (NO AUTHORITY granted where estate involves a going business or where Principal had prior custody of assets or where Principal is indebted to the estate or where a bond was previously filed for the same estate); LICENSE & PERMIT BONDS, provided the amount of no one bond exceeds \$10,000 (NO AUTHORITY granted for bonds involving financial guarantees, credit guarantees or the payment of taxes); PUBLIC OFFICIAL BONDS, provided the amount of no one bond exceeds \$10,000 (NO AUTHORITY granted for bonds covering Sheriffs, Constables and other Process Serving Officials); PLAINTIFFS COURT BONDS such as Cost, Removal, Replevin and Attachment Bonds, provided the amount of no one bond exceeds \$5,000; (NO AUTHORITY granted for any bond where Defendant is the Principal); LOST SECURITIES BONDS provided the amount of no one bond exceeds \$5,000. (NO AUTHORITY granted for any bond covering bearer or negotiable instruments.) NO FURTHER AUTHORITY GRANTED.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

This appointment may be revoked at any time by the AMERICAN MANUFACTURERS MUTUAL INSURANCE COMPANY.

The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said AMERICAN MANUFACTURERS MUTUAL INSURANCE COMPANY as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Long Grove, Illinois.

THIS APPOINTMENT SHALL CEASE AND TERMINATE WITHOUT NOTICE AS OF DECEMBER 31, 1982

IN TESTIMONY WHEREOF, the AMERICAN MANUFACTURERS MUTUAL INSURANCE COMPANY has caused this instrument to be signed and its corporate seal to be affixed by its authorized officers as of the date of this issuance.

Attested and Certified:

AMERICAN MANUFACTURERS MUTUAL INSURANCE COMPANY

C. G. Swan



By *H. L. Kennicott, Jr.*

H. L. Kennicott, Jr., Vice President

C. G. Swan, Secretary
STATE OF ILLINOIS }
COUNTY OF LAKE }⁵⁵

I, Jean Petzold, a Notary Public, do hereby certify that H. L. Kennicott, Jr., and C. G. Swan personally known to me to be the same persons whose names are respectively as Vice President and Secretary of the American Manufacturers Mutual Insurance Company, a Corporation of the State of Illinois, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they being thereunto duly authorized signed, sealed with the corporate seal and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act for the uses and purposes therein set forth.

My commission expires: April 29, 1980



Jean Petzold

Jean Petzold, Notary Public

CERTIFICATION

I, Sven L. Johanson, Secretary of the American Manufacturers Mutual Insurance Company, do hereby certify that the attached Power of Attorney is a true and correct copy and that the same has been in full force and effect since the date thereof and is in full force and effect on the date of this certificate; and I do further certify that the said H. L. Kennicott, Jr. and C. G. Swan who executed the Power of Attorney as Vice President and Secretary respectively were on the date of the execution of the Attached Power of Attorney the duly elected Vice President and Secretary of the American Manufacturers Mutual Insurance Company.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the American Manufacturers Mutual Insurance Company on this 13th day of September, 1979.



Sven L. Johanson

Sven L. Johanson, Secretary

This Power of Attorney limits the acts of those named therein to the bonds and undertakings specifically named therein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

1. I wish to receive the following services (for an extra fee):

1. Addressee's Address

2. Restricted Delivery

Consult postmaster for fee.

4a. Article Number

Z 765 962 275

4b. Service Type

- Registered Certified
- Express Mail Insured
- Return Receipt for Merchandise COD

7. Date of Delivery

3. Article Addressed to:

CMS Oilfield Services, Inc.
P. O. Box 316
Farmington, New Mexico 87499

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X

8. Addressee's Address (Only if requested and fee is paid)

Is your RETURN ADDRESS completed on the reverse side?

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NM 87505

UNDELIVERABLE AS RETURNED TO SENDER
FORWARDING ORDER NO. 87499

CMS Oilfield Services, Inc.
P. O. Box 316
Farmington, New Mexico 87499

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NM 87505

UNDELIVERABLE TO SENDER
RETURNED TO SENDER - NOT KNOWN

CMS Oilfield Services, Inc.
P. O. Box 316
Farmington, New Mexico 87499

CERTIFIED

Z 765 962 775
CMS-316 874012015 IN 03/06/95
NO FORWARD RETURN TO SENDER ON FILE
UNABLE TO FORWARD ORDER TO SENDER

(F)

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom this article was delivered and the date delivered.

...the following services... extra fee

Address Restricted

Restricted Delivery

Consult postmaster for details.

3. Article Addressed to:
 United State Fidelity and Guaranty Company
 P. O. Box 1138
 Baltimore, Maryland 21203-1138

4a. Article Number
 176013149

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
 3/5/96

5. Signature (Addressee)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

PS Form 3817, December 1991 * U.S.G.P.O. : 1992-307-530 **DOMESTIC RETURN RECEIPT**

Z 765 962 275



Receipt for Certified Mail

No Insurance Coverage Provided
 Do not use for International Mail
 (See Reverse)

Sent to CMS Oilfield Services, Inc.	
Street and No. P. O. Box 316	
P. O., State and ZIP Code Farmington, N.M. 87499	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, March 1993

P 176 013 149



Receipt for Certified Mail

No Insurance Coverage Provided
 Do not use for International Mail
 (See Reverse)

Sent to United States Fidelity & Guaranty	
Street and No. P. O. Box 1138	
P. O., State and ZIP Code Baltimore, Maryland 21203-1138	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, June 1991

Fold at line over top of envelope to the right of the return address

BEFORE EXAMINER STOGNER

OIL CONSERVATION DIVISION

OCD EXHIBIT NO. 3

CASE NO. 11498

Fold at line over top of envelope to the right of the return address

PS Form 3800, March 1993

Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	



Receipt for Certified Mail

No Insurance Coverage Provided
 Do not use for International Mail
 (See Reverse)

Z 765 962 274



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

March 1, 1996

Certified Mail – Return Receipt Requested

CMS Oilfield Services, Inc.
P. O. Box 316
Farmington, New Mexico 87499

John Caranta dba Cardel Oil Company
John Caranta dba Caranta Bros.
20 Rd. 3970
Farmington, New Mexico 87401

United States Fidelity and Guaranty Company
P. O. Box 1138
Baltimore, MD 21203-1138

Attn: Eugene Lushbaugh, Claim Division

RE: OCD Case No. 11498

Application of the New Mexico Oil Conservation Division for a Show Cause Hearing requiring CMS Oilfield Services, Inc., John Caranta dba Cardel Oil Company and/or Caranta Brothers and United States Fidelity and Guaranty Company to appear and show cause why the Caranta Well No. 1 located in Unit J of Section 23, T32N, R1E, Rio Arriba County, New Mexico should not be plugged and abandoned

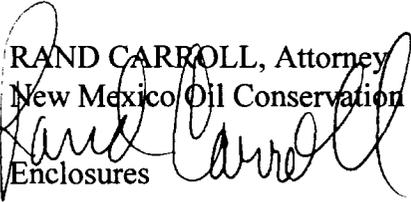
Dear Sir/Madam:

This letter is to advise you that the New Mexico Oil Conservation Division has filed the enclosed application seeking a Show Cause Hearing requiring CMS Oilfield Services, Inc., John Caranta dba Cardel Oil Company and/or Caranta Brothers and United States Fidelity and Guaranty Company to appear and show cause why it/they should not be ordered to plug and abandon the above-referenced well.

This application has been set for hearing before an Examiner of the Oil Conservation Division on March 21, 1996. You are not required to attend this hearing, but as an owner of an interest that may be affected by an order issued in this cause, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 20-90--- Enclosed) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,

RAND CARROLL, Attorney
New Mexico Oil Conservation Division
Enclosures 

RC:sm

cc: Johnny Robinson, OCD Aztec