



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

FINAL NOTICE

CERTIFIED MAIL

DECEMBER 26, 2000

KERSEY & COMPANY
P.O. BOX 1248
FREDERICKSBURG, TX 78624

RE: INACTIVE NON-COMPLIANCE WELLS

The Oil Conservation Division (OCD) currently is addressing all inactive non-compliance wells as a top priority statewide project. A mass mail out was made on May 11, 2000 requesting information from each operator that had inactive wells. A second mail out was made on September 8, directing each operator as part of this project to provide additional information based on how they had responded to the May 11, 2000 letter.

By copy of this letter, the OCD director is requested to schedule a "Show Cause Hearing" to allow you the opportunity to appear and to show way a shut in order, order to plug and abandon all inactive non-compliance wells and/or to call for the forfeiture of your statewide bond is not issued. If your bond is called you can no longer operate in the State of New Mexico.

The "Show Cause Hearing" will be stayed if an aggressive plan being detailed and specific as to type of work and time frame to bring all non-compliance wells into compliance is received in this office within 30 days of receipt of this letter.

Attached is the latest (11/16/00) OCD list of inactive non-compliance wells for your company.

TIM W. GUM

DISTRICT II SUPERVISOR
OIL CONSERVATION DIVISION

XC: LORI WROTENBERY ---- DIRECTOR
OCD ATTORNEY
ATTACHMENT

BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION
OCD EXHIBIT NO. 103
CASE NO. 12811

API #	Type	Last Production/ Injection	Well Name and Number	Operator	ULSTR	FNS	FEW
30-015-01306	G	03-1985	A S U A #001	KERSEY & CO	M-02-17S-28E	660S	660W
30-015-01337	G	10-1998	A S U #001	KERSEY & CO	A-10-17S-28E	660N	660E
30-015-10227	G	12-1993	A S U #002	KERSEY & CO	D-11-17S-28E	660N	660W
30-015-03471	O	09-1997	Y D #003	KERSEY & CO & E A HANSON	K-28-18S-29E	2310S	1980W
30-015-01310	G	12-1992	FEDERAL #001	KERSEY & DONOHUE	20-03-17S-28E	990S	990E

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:

Kersey & Company
PO Box 1248
Fredericksburg TX 79624

2. Article Number (Copy from service label)
7000 0600 0026 1536 9896

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

1-8-2001

C. Signature

X *ME Kersey*

Agent
 Addressee

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes