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STEPHENS & JOHNSON OPERATING CO.

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811 Sixth Street, Suite 300

WICHITA FALLS, TEXAS 76307-2249

Post Office Box 2249

September 28, 2000

Oil Conservation Division 811 South First Street Artesia, NM 88210

Attn: Mr. Tim Gum

District Supervisor



Stephens & Johnson Operating Co. Re:

> Inactive Wells Artesia District

Dear Mr. Gum:

We are in receipt of your letter dated September 8, 2000 concerning the future plans of certain inactive wells operated by Stephens & Johnson Operating Co.

A tabulation has been attached indicating current plans for the inactive wells which were included in your letter of September 8, 2000. As indicated, two of the wells will be returned to active status while a TA'd status will be requested for the remaining two wells on the East Millman Pool Unit located in Eddy County, New Mexico.

The East Millman Pool Unit is an active waterflood project with an infill drilling program currently underway. drilling program will continue for the next three years after which it is anticipated that the East Millman Pool Unit wells No. 4-4 and 6-5 will be utilized as water injection wells. As indicated, the required mechanical integrity tests are planned to be preformed during the week of October 2, 2000 As required, the Oil Conservation Division will be notified prior to these mechanical integrity tests after which the necessary Oil Conservation forms will be submitted.

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Should you have any questions concerning this matter, please do not hesitate to contact us.

Yours very truly,

STEPHENS & JOHNSON OPERATING CO.

William M. Kincaid

WMK/ns Attachment

STEPHENS & JOHNSON OPERATING CO. INACTIVE WELLS - ARTESIA DISTRICT

Current Plans	Obtain TA status by setting CIBP above perforations and conducting Mechanical Integrity Test of casing. Work to be performed during week of October 2, 2000.	Well is in TA status with CIBP set above perforations. Extend TA status by conducting Mechanical Integrity Test of casing. Work to be performed during week of October 2, 2000.	Well was returned to active status on 9-25-2000. Form C-103 has been submitted.	Well has been shut-in with a tubing leak. As soon as a well service rig can be ob- tained, this well will be repaired and returned to producing status. A form C-103 will be submitted when work is completed.
API No.	30-015-02239 C	30-015-02233 V	30-015-02234	30-015-25687
ULSTR	M-13-19S-28E	A-13-19S-28E	F-13-19S-28E	F-22-26S-29E
Well Name & No.	East Millman Pool Unit Tract 4 Well No. 4	East Millman Pool Unit Tract 6 Well No. 5	East Millman Pool Unit Tract 7 Well No. 1	Mobil "22" Federal Well No. 7
Property No.	9799	9799	9799	24522