



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

July 19, 1983

TONY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

CERTIFIED - RETURN
RECEIPT REQUESTED

National Oil Company
1350 17th Street
Suite 300
Denver, Colorado

Re: Ute Anticline Well No. 1 and
Columbine State Well No. 1
Quay County, New Mexico

Gentlemen:

This letter is written in an attempt to resolve certain problems which the New Mexico Oil Conservation Division has had in securing compliance with its rules and regulations as they apply to the above-referenced wells. Our file indicates that letters dated June 25, 1982, and June 15, 1983, were sent to National Oil Company requesting certain information and the filing of certain forms from National Oil Company and these requests have not yet been complied with.

Specifically, although Form C-103 has been filed for these wells indicating that it is a subsequent report of plugging and abandoning of each of these wells, a visual inspection of the well sites indicates that casing at both of these wells is open at the surface, that we have not yet received a copy of the electric logs on the Ute Anticline Well No. 1, and that neither of these wells has proper abandoned well markers installed.

This letter is our final request that you provide the required information and forms and that you perform adequate site work and erect appropriate markers on these wells. Failure to comply with this request in a timely manner will force the Division to institute legal actions and may result in a proceeding against the bond covering these two wells.

National Oil Company

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I hope that you will proceed immediately to contact Mr. Roy Johnson, Staff Geologist of the New Mexico Oil Conservation Division, at (505) 827-5809 and arrange for him to inform me when all work is completed and all information has been supplied.

Thank you for your attention to this matter.

Sincerely,

W. PERRY PEARCE
General Counsel

WPP/dr

cc: Mr. Roy Johnson
OCD - Santa Fe