

FILE



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

October 25, 1996

Labrador Oil Company
400 N. St. Paul, Suite 400
Dallas, Texas 75201
Attn: Mike Kerr

RE: Mescalero Well No. 1
Unit E-Section 1-Township 6 North-Range 22 East
Mr. Jones Well No. 1
Unit F-Section 32-Township 7 North-Range 23 East
Guadalupe County, New Mexico

Dear Mr. Kerr:

A review of the above referenced well files has indicated that you are delinquent in filing the appropriate reports as outlined in the NMOCD Rules and Regulations. For your Mescalero well you are required to file a Form C-103 for each particular operation as indicated by Rule 1103C and Rule 1103D (enclosed).

In the matter of the Mr. Jones Well No. 1, this office has yet to receive a copy of the drill stem tests as described in our Rule 1105 (enclosed). It is also a standing policy of this office and a condition of approval of the drilling permit that a set of cuttings be delivered to the New Mexico Bureau of Mines Petroleum Library. To my knowledge this has yet to be done.

I anticipate that these matters will be handled accordingly in order to maintain our current working relationship.

Sincerely,

Roy E. Johnson
District IV Supervisor

REJ:kv

Enclosures