



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor  
**Betty Rivera**  
Cabinet Secretary

Lori Wrotenberg

Director  
Oil Conservation Division

10 March 2003

Melrose Operating Co.  
C/O West Texas Oil Reports  
P.O. Box 953  
Midland, Texas 79702

RE: State 647 AC 713 140      K14-18-28      API 30-015-29079      Violation of Rule 201:  
Idle Well

Dear Sirs:

This second directive is to notify you that this well is still in violation of Rule 201.

On 7 November, 2002 a letter was sent notifying you on the violation of Rule 201. An inspection on 3-6-03 found no action had been taken.

Rule 201 of the New Mexico Oil Conservation Division provides as follows:

## **201 WELLS TO BE PROPERLY ABANDONED**

201.A. The operator of any well drilled for oil, gas or injection; for seismic, core or other exploration, or for a service well, whether cased or uncased, shall be responsible for the plugging thereof. [7-12-90...2-1-96]

201.B. A well shall be either properly plugged and abandoned or temporarily abandoned in accordance with these rules within ninety (90) days after:

- (1) A sixty (60) day period following suspension of drilling operations, or
  - (2) A determination that a well is no longer usable for beneficial purposes, or
  - (3) A period of one (1) year in which a well has been continuously inactive.
- [7-12-90...2-1-96]

**In the event that a satisfactory response is not received to this letter of direction by 15 April, 2003,** further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of **CIVIL PENALTIES** for your violation of OCD rules.

Sincerely,

Van Barton  
Field Rep. II