



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

7 October 2005

Imperial Oil Properties, Inc
200 East 1st Street
Wichita, KS 67202

RE: New Mexico State # 1 Section 1 of township 21 south and range 7 west in Luna County, NM.
API# 30-029-00011

Dear Mr. Roberts:

Please note that OCD Rule 201 states, in relevant part: "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. 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..."

OCD Rule 50 states, in relevant part: "...**PITS AND BELOW-GRADE TANKS:**

F. Closure and restoration.

- (1) Closure. Except as otherwise specified in Section 50 of 19.15.2 NMAC, a pit or below-grade tank shall be properly closed within six months after cessation of use..."

Please submit your plans for complying with OCD Rules 50 and 201.

If you have any questions please contact me at 5405-748-1283 ext. 109.

Van Barton
Field Supervisor