

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

C/04

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery Director Oil Conservation Division

December 20th, 2001

Herman V. Wallis P.O. Box 291858 Kerville, Texas, 78209-1858 Attn: Herman V. Wallis

RE: Operator's application to plug back and directionally drill the State Com. Well No. 1, located in Unit D of Section11, Township 14 South, Range 28 East, Chaves County, New Mexico, NMPM.

Dear Mr. Wallis,

In reference to the above well, I'm returning your application as incomplete. On 10/22/2001, I called your office and requested that you submit on the correct form, Form C-101, the proposed operations along with what type of BOPE that you intended to use. In addition, a directional drill plan also needs to be included. (Please refer to NMOCD rules 102.A, 109.A, and 111.C for further clarification).

As of this date, we have not received the requested information. Therefore, I assume your plans as operator it is you intentions to not pursue this matter any further. If in the future it is your intent to directionally drill and complete this well, please contact our office so that we may help you in processing your application for approval.

Yours truly,

Bryan G. Arrant Petroleum Engineer Specialist New Mexico Oil Conservation Division-Artesia

cc: Well File

1301 1303 West Grand