

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON
GOVERNOR

JENNIFER SALISBURY
CABINET SECRETARY

February 11, 1997

D. W. Berry
P.O. Box 512
Alto, NM 88312

Re: Properly Abandoned Wells: D. W. Berry, State T #2 E-12-19-29,
Quail State #1 N-8-17-28, State A #1, K-2-15-29

The state of New Mexico is in the process at this time of reviewing leases and determining the number of abandoned wells.

Rule 201 A. states 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.

Rule B. states a well shall be either properly plugged and abandoned or temporarily abandoned in accordance with these rules within 90 days after (1) a 60 day period following suspension of drilling. (2) a determination that the well is no longer usable for beneficial purposes. (3) a period of 1 year in which a well has been continuously inactive.

House Bill 65 has been passed by the legislature and provides some tax incentives for wells put back in production. However if there are no plans to put these wells back in service then they need to be either plugged or properly temporarily abandoned.

Our records show you to be the operator of the above captioned wells. Please forward to the NMOCDA Artesia office by March 15, 1997 a plan to bring these wells into compliance with Rule 201.

Yours Truly,



Tim W. Gum
District II Supervisor

BGA