



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

File
Copy

1 August 2002

McQuadrangle, Lc
7008 Salem Avenue
Lubbock, Texas 79424

RE: South Red Lake Grayburg Unit # 6 F-35-17-27 API 30-015-00618 Violation of Rule 201:
Well needs to be properly abandoned.
South Red Lake Grayburg Unit # 18 J-35-17-27 API 30-015-00627 Violation of Rule 201:
Well needs to be properly abandoned.
South Red Lake Grayburg Unit # 21 K-36-17-27 API 30-015-01219 Violation of Rule 201:
Well needs to be properly abandoned.

Dear Sirs:

This is the second directive is to notify you that these wells are still in violation of Rule 201.

On 19 April, 2002 a letter was sent notifying you on the violation of Rule 201. An inspection of the wells on 31 July, 2002 found no action has been taken. These wells failed a MIT in 2000. Since that time or records show we have requested you bring them into compliance three times in writing.

These wells must be brought into compliance on or before 15 August, 2002.

To bring the wells into compliance you have 3 options:

1. Put the wells into production.
2. T.A. the wells.
3. P. A. the wells.

In the event that a satisfactory response is not received to this letter of direction by 15 August, 2002, 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