

New Mexico  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

July 28, 1995

To: Rand Carroll, Legal Bureau

FROM: Ray Smith

RE: Diamondback Petroleum Inc.  
Margie Kay #1 in Ut F-7-18-28 and Martha #1 Ut L-7-17-28

Rand,

We recommend plugging the above captioned wells to protect fresh waters of the state of New Mexico, to protect correlative rights and to protect human health and the environment.

It is our understanding that Diamondback is default and that some bank has taken some of the wells. This is what I have been told. I do not know this for a fact. These two wells are not being produced and some equipment is in place.

I talked to a Northwestern National Insurance company in Denver and they told me they did not do bonds.

Attachments

New Mexico  
**ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT**

7/28/95

Diamondback Petroleum Inc  
Margie Kay #1 F-7-17-28

8 5/8 @ 366' cemented with 300 Sx c  
5 1/2 @ 2513 cemented with 225 Sx c  
2 3/8 @ 1650  
Perfs at 1662-1700, 2077-2448

1. Spot a 25 Sx plug at 1600' and tag.
2. Spot a 25 Sx plug at 416'.
3. Spot a 10 Sx surface plug.
4. Set DHM
5. Salt gel placed between plugs.

Contractor will need to make assessment of roads and location  
and do whatever dirt work is needed.