

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

10/18/2002

(054)

SOUTHWEST ROYALTIES INC. P.O. BOX 11390 MIDLAND, TEXAS 79702

RE: SECOND LETTER REQUEST 30-015-03792 STATE B 4458 #2

DEAR SOUTHWEST ROYALTIES INC,

N.M.O.C.D. HAS RECEIVED NO RESPONSE FROM THE LETTER SENT TO SOUTHWEST ROYALTIES DATED 7/9/2002.

THIS MENTIONED LETTERED REQUESTED REMEDIATION THAT MAYBE REQUIRED TO CORRECT HISTORIC HYDROCARBON CONTAMINATION THAT EXISTS AT THE STATE B 4458 #2 P&A LOCATION.

PLEASE HAVE A REPRESENTATIVE FROM SOUTHWEST ROYALTIES CONTACT N .M.O.C.D. FOR INSPECTION OF HISTORIC HYDROCARBON CONTAMINATION THAT EXISTS OFF THE STATE B #4458 #2 P&A LOCATION.

THE WELL BONDING FOR THE STATE B #2 WILL NOT BE RELEASED UNTIL IT IS DETERMINED IF THE HISTORIC HYDROCARBON THAT IS MENTIONED ABOVE IS A RESULT OF PRODUCTION OPERATION FROM THE STATE B 4458 #2, AND CORRECTED BY REMEDIATION ACTIONS, OR DETERMINED NOT TO BE A RESULT OF PRODUCTION OPERATION FROM THE STATE B 4458 #2.

PLEASE CONTACT ME WITHIN 30 DAYS FROM THE DATE LISTED ON THIS LETTER THAT WE MAY MAKE A GROUP INSPECTION AT THE STATE B 4458 #2.

I HAVE INCLUDED A COPY OF THE FIRST LETTER SENT TO SOUTHWEST ROYALTIES DATED 7/9/2002.

SINCERELY,

MIKE STUBBLEFIELD ENVIR. ENG. SPEC. N.M.O.C.D.