



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

June 28, 2000

**CERTIFIED MAIL RETURN RECEIPT # 7099 3220 0005 0938 7639**

Shahara Oil, LLC  
207 West McKay  
Carlsbad, NM 88220  
Attn: Mr. Perry Hughes

**RE: Cancellation of Allowable**

- **Beeson 'F' Federal Well No. 6, located in Section 31, Township 17 South, Range 30 East 2294' FNL & 342' FEL in Unit (H), Eddy County, New Mexico**
- **Beeson 'F' Federal Well No. 5, located in Section 31, Township 17 South, Range 30 East 2297' FNL & 1646' FEL in Unit (G), Eddy County, New Mexico**

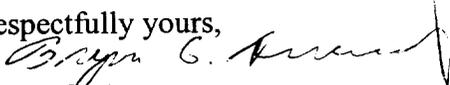
Dear Mr. Hughes,

In regards to the above referenced wells, your request for allowable and authorization to transport (Form C-104) is being returned unapproved and said wells are to be shut-in on July 11, 2000 for failure to comply with rules and regulations set forth by the New Mexico Oil Conservation Division.

On June 13<sup>th</sup>, I called your office and requested a full set of electric logs drilled to the deeper horizons (As noted to be run in your drilling program) and notarized well deviation reports which are required on both wells. In addition, we have not received a federal well completion report (Form 3160-4) on the Beeson 'F' Federal Well No. 5.

Please refer to the Oil Conservation Division's Rules and Regulations for notarized reports (Rule 111.B.1) and requirements for electric logs (Rule 1105.A) for further clarification.

Respectfully yours,

  
Bryan G. Arrant  
District II Geologist-Artesia

cc: Lori Wrotenbery, Division Director- Santa Fe  
Tim Gum, District Supervisor- Artesia  
Navajo Refining Company- Oil Transporter  
GPM Gas Corporation- Gas Transporter