

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON
GOVERNOR

JENNIFER SALISBURY
CABINET SECRETARY

10-27-97

Dwane Parrish Jr.
1306 S. 9th Street
Artesia, NM.88201

Re; Properly abandoned wells;

Dear Dwane;

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

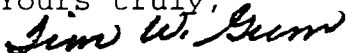
Rule 201 A. states " The operator of any well drilled for oil, gas or injection, for seismic, core or other exploration, or for a service well, whether cased or uncased, shall be responsible for the plugging thereof."

Rule 201 B. 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 a well or wells back in service then plugging or proper temporary abandonment will be required.

Please forward to the NMOCDD office in Artesia by January 2, 1998 a plan to bring the following list of wells into compliance with rule 201.

Yours truly,



Tim Gum

H.Dwane Parrish & Rhonda K.Parrish

Caroline	# 1	Sec.28-19-28	Ut.C.
	# 2	Sec.28-19-28	Ut.E.
	# 3	Sec.28-19-28	Ut.D.
	# 4	Sec.28-19-28	Ut.E.
	# 5	Sec.28-19-28	Ut.D.
Mary Lou	# 4	Sec.29-19-28	Ut.H.
	# 5	Sec.29-19-28	Ut.G.
Toomey Allen	# 1	Sec.28-18-28	Ut.J.
	# 3	Sec.28-18-28	Ut.J.
	# 4	Sec.28-19-28	Ut.J.
	# 9	Sec.28-19-28	Ut.J.

According to our records there is no reported production on these wells from 1994 to 1997 except for the Caroline #5 and the last reported on this well was May,1995.