

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor Jennifer A. Salisbury Cabinet Secretary

FFB 2 8 2001

Lori Wrotenbery Director **Oil Conservation Division**

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2/26/01

SDX Resources Inc PO Box 5061 Midland, TX 79704

Dear Sir:

The wells indicated on the attached list were tested for mechanical integrity on the dates indicated and failed to meet the standards of the New Mexico Oil Conservation Division. To comply with guidelines as established by the U.S. Environmental Protection Agency, the well(s) were required to be shut-in pending completion of successful repair.

As of the date of this letter Form C-103 has not been received by this office indicating that necessary repairs and retesting have been accomplished. It is therefore requested that this form be forwarded to our office within 15 days of receipt of this letter. The Form C-103 should indicate actions taken or proposed procedures for repairing the well(s).

Failure to comply with this letter will result in further enforcement action.

Jim W. Gum Tim Gum /b. District Supervisor

Final Insper. 12/22 NotiFied Tim via Letter From John 18/2001 that well was Poad

Oil Conservation Division * 811 South First Street * Artesia, New Mexico 88210 Phone: (505) 748-1283 * Fax (505) 748-9720 * http://www.emnrd.state.nm.us