



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

11/19/2001

Yates Petroleum Corp.
105 S 4th St
Artesia, NM 88210

Dear Sirs:

This office is in possession of BLM Form 3160-5 regarding the completion work to be done on the Charlette McKay Fed SWD 30-015-23095 dated June 30, 2000.

To date no further action has been taken to bring this well into compliance.

NMOCD Rule 201 states a well shall be either properly plugged and abandoned or temporarily abandoned within ninety (90) days after:

- (1) A sixty (60) day period following suspension of drilling operations, or
- (2) A determination that a well is no longer usable for beneficial purposes, or
- (3) A period of one (1) year in which a well has been continuously inactive.

Since this well has been inactive for a period of **over (1) year** one of the following actions must be taken.

- (1) The procedure outlined in the aforementioned Form 3160-5 must be completed or in progress prior to December 17, 2001.
- (2) A request must be made (C-103) to this office to place well back into production and removing it from SWD Status by December 17, 2001. Any well bore work required to accomplish this must be in progress by this date.
- (3) A request must be made to BLM (with copy to NMOCD) requesting plugging and abandonment of this well and showing a procedure for immediate implementation.

Please be advised that this directive may be followed by an application for an order to Show Cause why the bond should not be forfeited and civil penalties assessed.

Respectfully,

Gerry Guye
Compliance Officer
Oil Conservation Division