

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
GOVERNOR

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

JENNIFER SALISBURY
CABINET SECRETARY

Januray 5, 1996

Harvard Petroleum Corp
P.O. Box 936
Roswell, NM 88202

Re: Properly Abandoned Wells, Harvard Pet corp, H & S State #3 A-24-19-27
and Roy #1 H-23-19-27

Dear Sirs;

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. states a well shall be either properly plugged and abandoned or temporarily abandoned in accordance with these rules with 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 these wells back in service then they need to be either plugged or properly temporarily abandoned.

Please advise this office within the next 15 days of your intent.

Yours Truly .



Ray Smith
Deputy Oil & Gas Inspector

RS:br

This well is producing in the same tank as the # 2 well. Jeff said he was not breaking out the production separately.