

OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE NEW MEXICO 87501

January 3, 1975

RECEIVED

JAN 7 - 1975

O. C. C.
ARTESIA, OFFICE

Mr. A. H. Rains
P. O. Box 927
Carlsbad, New Mexico 88220

Re: Pure State Wells Nos. 1, 2, 3, and 7,
Section 15, Township 21 South, Range 27 East,
Eddy County, New Mexico

Dear Mr. Rains:

I have reviewed your letter of November 21, 1974, with the Commission and explained that you believe these wells can produce hydrocarbons in commercial quantities.

The Commission will require that the following things be done by you prior to putting the wells on production:

- (1) A blanket plugging bond must be obtained.
- (2) You will need to file an application for a hearing to suspend Order No. R-4616 which was entered in Case 5042. This order requires that the wells in question be plugged and abandoned.
- (3) You need to explain to Mr. Bill Gressett in the Commission's Artesia office how you intend to operate these wells and satisfy him that all produced waters will be disposed of properly. If you need to convert a well for injection purposes an additional hearing will be required.

Any questions you have concerning this matter may be directed either to me or Mr. Gressett.

Very truly yours,

WILLIAM F. CARR
General Counsel

WFC/dr

cc: Mr. Bill Gressett
Oil Conservation Commission
Artesia, New Mexico 88210

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