



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
P. O. Drawer U
Artesia, New Mexico 88210

January 22, 1970

CERTIFIED MAIL

RETURN RECEIPT REQUESTED

Avance Oil & Gas Company, Inc.
626 Vaughn Building
Midland, Texas 79701

Gentlemen:

Our records show that Federal oil and gas lease New Mexico 0556290 is held of record by J. C. Barnes, R. J. Ramsland, J. C. Barnes, Jr., Barnes Adelante Trust, W. F. Wynn, J. C. Barnes, Trustee, Boyd Laughlin, D. W. Underwood, and J. C. Williamson.

On December 19, 1969, an application to re-enter a plugged and abandoned well, located 990/N&E sec. 10, T. 20 S., R. 29 E., N.M.P.M., Eddy County, New Mexico was received from Avance Oil and Gas Company, Inc. on the above lease. By telephone, this office advised Avance that before the application could be approved, the required bond must be filed, and a Designation of Operator (form 9-1123) executed by the record lessees naming Avance Oil and Gas Company as operator on the drilling tract also filed.

On January 6, 1970, this office received notice that the \$10,000 lessee's bond was accepted by the U. S. Bureau of Land Management on December 31, 1969. To this date we have not received an appropriate Designation of Operator. However, a recent field inspection of the wellsite indicates that the well has been re-entered, and apparently abandoned without receiving prior approval.

You are hereby requested to submit a letter in quintuplicate stating why the well was re-entered without U. S. Geological Survey approval. You are also requested to show cause why the appropriate Designation of Operator should not be filed, why all notices, reports, and logs should not be filed, and why the well should not be plugged in accordance with an approved plugging program, all in compliance with the Oil and Gas Operating Regulations 30 CFR 221.

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