



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

RECEIVED
MAY 14 '90

GARREY CARRUTHERS
GOVERNOR

O. C. D.
ARTESIA OFFICE POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

May 8, 1990

*CERTIFIED MAIL -
RETURN RECEIPT REQUESTED*

Kaiser-Francis Oil Company
P.O. Box 21468
Tulsa, OK 74121-1468

Attention: Jim Wakefield

*RE: Mesa Fuerte Com Well No. 1; 1833'
FSL - 1980' FEL (Unit J), 33-T21S-
R26E, Happy Valley Strawn Gas
Pool, Eddy County, New Mexico.*

Dear Mr. Wakefield:

As stated in our telephone conversation today, it has been called to our attention by the New Mexico State Land Office Oil and Gas Division, that there is no communitization agreement presently in effect for the subject well. The latest Form C-102, dated October 13, 1976, filed with our Artesia District Office, copy forwarded to this office, indicates the South half of the section to be dedicated to this well.

Until such time as a completed communitization agreement has been obtained [Section 70-2-17 C. and 70-1-18 A. (NMSA 1978)] or a non-standard gas spacing and proration unit for the subject well has been formed [Division General Rule 104.D.II. and Section 70-2-18 C. (NMSA 1978)], production from this well should cease and remain shut-in until the rules of the Division have been complied with in full.

Please note that all production from this well taken during the time that no communitization agreement was in effect could be subject to Section 70-2-18 B. (NMSA 1978), statutes pertaining to operators failing to obtain proper agreements on spacing units with dividend ownership.