

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

GARY E. JOHNSON
GOVERNOR

JENNIFER SALISBURY
CABINET SECRETARY

11-7-97

Calvin F. and Alma F. Tennison
P.O. Box 2232
Midland, Texas 79702-2232

Re; Properly Abandoned Wells;

Dear Calvin;

The State of New Mexico is in the process at this time of reviewing leases to determine the number of abandoned and shut in wells.

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. A well shall be either properly plugged and abandoned or temporarily abandoned in accordance with the rules within {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 a well or wells back in service then plugging or proper temporary abandonment will be required

Please forward to the Oil Conservation Division office in Artesia by December 15, 1997 a plan to bring the following list of wells into compliance with rule 201. Failure to respond to this request will result in us asking our legal department in Santa Fe to schedule a hearing so that you may appear and show cause why these wells should not be plugged.

Malaga Unit Tr. 6 # 1 Sec. 13-24-28 ut. L
Malaga Unit Tr. 13 # 3 Sec. 7-24-29 ut. K
Superior State # 1 Sec. 8-25-30 ut. H

Yours truly,


Tim Gum