



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

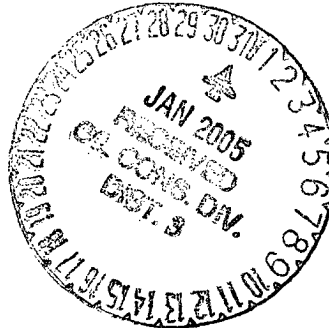
Farmington Field Office  
1235 La Plata Highway  
Farmington, New Mexico 87401

IN REPLY REFER TO:

NMSF-081171A (WC)  
3162.3-2 (21110)

Mr. John Coulthurst  
Coulthurst Management & Investment, Inc.  
1990 Marin Ave.  
Berkeley, CA 94707

January 28, 2005



Dear Mr. Coulthurst:

Reference is made to the following wells located sec. 33, T. 18 N., R. 3 W., Sandoval County, New Mexico, Lease NMSF-081171A:

1) No. 1 Darla, 1670' FNL & 1014' FEL.

2) No. 1 Darla Injection, 1750' FNL & 1230' FEL

The lease the subject wells are located has been recommended for termination. Also referenced is our letter dated from November 14, 1996, which required to prove the lease capable of production in paying quantities. Coulthurst Management & Investment, Inc. requested to leave the wells in an inactive status so they could be evaluated for a water flood. Extensions were granted until August 2003. The original request was approved requiring the operator to either return the lease to production or extending the inactive status prior to the expiration date or the lease would be terminated. Since no request has been submitted since 2002 the subject lease has expired. Therefore, since these wells are incapable of production in paying quantities, you are required to submit procedures to plug and abandon the above mentioned wells by February 28, 2005.

Failure to comply within the time above may result in an assessment in accordance with 43 CFR 3163.1.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the orders described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such requests shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et seq.

If you have any questions please contact Stephen Mason with this office at (505) 599-6364.

Sincerely,  
Original Signed: Stephen Mason  
Stephen Mason  
Petroleum Engineer, Petroleum Management Team

bcc:  
Well file  
DOMR  
Suspense: SMason  
21110:SMason:sm:01-27-05:pa04e1

NMOCD