



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



October 7, 2008

Cherry Hlava
B P America
PO Box 3092
Houston TX, 77253

Re: Wallace Gas Com 3, H-35-31N-11W, API # 30-045-23140

Dear Ms. Hlava:

The 2008 Bradenhead test on the above well indicates a failure. In order to comply with Rule 108, prevent waste and protect fresh water, you are hereby directed to initiate remedial activity before January 8, 2009. Bradenhead psi of 190 was reported.

With your sundry please attach a copy of the last two tests, a current wellbore schematic including formation and cement tops. Indicate the method used to determine the cement top; provide gas analysis from both the production and intermediate casing.

Reference: RBDMS CTP0827555367 on future correspondence.

Notify the Aztec OCD 24 hours before work is initiated.

If you have any questions, please call me at 505-334-6178, ext. 16.

Sincerely yours,

Kelly G. Roberts
Deputy Oil & Gas Inspector
District III-Aztec

CC: Well File

