



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

March 9, 2004

James L. Ludwick
PO Box 70
Farmington NM 87499

RE: M&M #1, I-Sec-15-23N-04W, API 30-039-22958

Dear Mr. Ludwick:

Regarding our telephone conversation on Monday March 8, 2004, our records indicate no production reported on this well after March 2001. You were sent a letter December 16, 2002 requiring you to bring the well into compliance before March 15, 2003. In your letter of February 28, 2003 you requested a (90) day extension for you to "put the subject well back to producing when the weather clears sufficiently for day-to-day operations at the well site". As we discussed today no work has been conducted and you have sixty, (60) days to return the well to compliance by returning the well to production, temporary abandon, or plug and abandon the well.

If this work is not conducted in the approved time I will request our attorney to call you to hearing where we will ask for compliance and a fine.

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

Sincerely yours,

Charlie T. Perrin
Deputy Oil & Gas Inspector
cperrin@state.nm.us

CTP/mk

Cc: Gail MacQuesten
CP
Well file