



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC NM 87410
(505) 334-6178 FAX: (505) 334-6170
[http://emnr.state.nm.us/ood/District III/district.htm](http://emnr.state.nm.us/ood/District%20III/district.htm)

GARY E. JOHNSON
GOVERNOR

Jennifer A. Salisbury
CABINET SECRETARY

October 15, 1998

Albert R. Greer
BMG
4900 College Boulevard,
Farmington, NM 87402

Re: East Puerto Chiquito Mancos Unit #35, M-09-26N-01E, API# 30-039-23214

Dear Albert:

Regarding your letter dated October 9, 1998, requesting an extension of time to bring the well into compliance with rule 201.B.3 and 203. Rule 203 requires that a notice of intent to temporarily abandon a well, P&A or return a well to production be filed with the OCD for approval. You are hereby directed to initiate Temporary Abandonment activity before November 15, 1998. Please notify the Aztec OCD 24 hours before work is initiated.

Feel free to call me at 334-6178, ext 16, if I can be of any help.

Sincerely,

Charlie T. Perrin
Deputy Oil & Gas Inspector

CP\mk

Enclosure

xc: well file

BMG

BENSON-MONTIN-GREER DRILLING CORP.

October 9, 1998

RECEIVED
OCT 13 1998
OIL CON. DIV.
DIST. 3

New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410

Attention: Mr. Charles Perrin

RE: EAST PUERTO CHIQUITO WELLS
#33 (P-5) AND #35 (M-9)
39-2405 23214
23213

Gentlemen:

When these wells first came up on the NMOCD computer system for plugging, our engineer scheduled them and I did not really study their history.

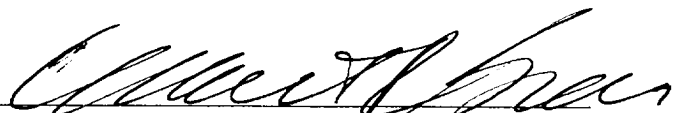
On making a critical review, it comes to light that these two wells were never completed. The hole was drilled, logged, casing run through the Greenhorn and cemented. Both wells had oil shows in the Greenhorn. We have one well nearby in Section 8 (East Puerto Chiquito Mancos Unit # 38 H-8) producing from the Greenhorn. It is a small well.

Also in Section 8 is a well completed in one of the other Mancos intervals. Although small, the Greenhorn well appears to be about as good as the other well. We have produced about 16 million barrels of oil from zones in the Mancos in this area other than the Greenhorn. Now it looks like the Greenhorn might have substantial potential. What we are thinking about now is perhaps drilling horizontal extensions from these two wells to test the Greenhorn. Before we go to that expense, we need to make a more in-depth study of the Greenhorn. What strikes us now is the similarity of the Greenhorn to the other Mancos intervals and the fact that the Greenhorn has not been tested in the areas where the better wells are located in the other members.

I know the OCD is anxious for us to do something with these wells but in view of this cursory review, I certainly don't want to plug the wells. Also I don't want to jump out and make some expensive horizontal extensions without thoroughly reviewing the issues. I don't know how much time will be involved but I would like an extension to August 1, 1999.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

By: 
Albert R. Greer, President

ARG/tlp