



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenberg
Director
Oil Conservation Division

December 4, 2000

Yates Petroleum Corp.
ATTN: Production Superintendent
207 S. 4th
Artesia NM 88210

Re: Chili AGY State #1, C 16-27N-12W API 30-045-23452

Dear Sir:

The Bradenhead test on the above well indicates a constant flow of gas. In order to comply with Rule 108, prevent waste and protect fresh water, you are hereby directed to initiate remedial activity before January 15, 2000.

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,

A handwritten signature in cursive script that reads "Charlie T. Perrin".

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

CTP/mk

CC: CTP
Well File