



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
1000 RIO BRAZOS RD. - AZTEC

87410

DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO

March 24, 1978



STATE GEOLOGIST
EMERY C. ARNOLD

Mr. R. A. Crane, Jr.
P. O. Box 356
Fruitland, New Mexico 87416

Re: R. A. Crane, Jr.
Donella #1
P-3-29N-16W

15w

Dear Mr. Crane:

Order R-5487 issued July 19, 1977, by the Commission required the subject well to be made useful or properly plugged and abandoned on or before September 15, 1977.

Since the issuance of the order, you have claimed ownership of the well and have supplied us with a copy of an Oil and Gas Lease dated September 14, 1977.

Several oral arrangements were made for delays due to weather, rig availability, and other business.

The terms of the lease indicate expiration at the end of a six month period without production. This would indicate the lease to be invalid as of March 15, 1978.

Therefore, if the well has not been plugged and abandoned in accordance with our approval prior to April 28, 1978, we shall make demand for the bond in order for us to contract for the plugging.

All plugging operations must be approved in writing prior to the work being done on the well.

If there are questions please contact us.

Yours very truly,

A. R. Kendrick
A. R. Kendrick
Supervisor, District #3

ARK:mc

xc: Oil Conservation Commission
Santa Fe, NM