

STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

GARY E. JOHNSON GOVERNOR

JENNIFER A. SALISBURY CABINET SECRETARY

1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (505) 334-6178 FAX: (505) 334-6170

Certified # P 987 892 151 August 12, 1995 Cambern & Associates Oil & Gas Rt 1 box 501A Amarillo, Texas 79106

RE: Smith #1 1550 FSL & 660 FWL L-21-31N-03E API # 30-039-24125

Dear Walter J. Cambern;

The referenced well is in violation of Rule 201 which states that a well must be properly plugged and abandoned within ninety days after a sixty day period following suspension of drilling operations or a period of one year in which a well has been continuously inactive.

You are hereby directed to plug and abandon or continue drilling and complete the well within thirty days. If you fail to bring well into compliance we will schedule a show cause hearing as to why the well shouldn't be plugged according to a Division Approved Procedure. The plugging bond which is in place will be used to plug the well. If I can be of any assistance feel free to contact me in the Aztec OCD office at 505-334-6178.

Sincerely,

Johnny Robinson

Deputy Oil & Gas Inspector

Johnny Rolinson

cc: Rand Carroll, Legal council Well File

P&A File