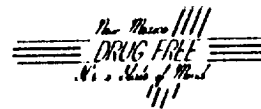




STATE OF NEW MEXICO
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

August 26, 1992

George Sharpe
Merrion Oil and Gas Corporation
PO Box 840
Farmington, NM 87499

RE: Temporarily Abandoned Wells
Karl Hudson #1, D-26-30N-12W

Dear Mr. Sharpe:

Thank you for responding to Memorandum (3-91-10) dated December 27, 1991, however, you failed to submit the plans to bring this well into compliance that were to be in this office by June 30, 1992. This well is still inactive and requires P&A or TA approval under Rules 201, 202 and 203. Your failure to respond will result in violation of Rule 201. If you do not respond by October 1, 1992, we may assess fines or take other appropriate measures.

Sincerely,

Dianna K. Fairhurst

Dianna K. Fairhurst
Deputy Oil & Gas Inspector

XC: TA File
DKF File
Well File