OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE 1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (508) 334-6178 Fax (508)334-6170

GARY E. JOHNSON GOVERNOR

JENNIFER A. SALISBURY
CABINET SECRETARY

July 29, 1997

Rand Carroll EMNRD General Counsel 2040 S Pacheco Santa Fe NM 87505

RE: Fannie Ward #1, K-18-30N-11W, 30-045-09481

Dear Rand:

I have enclosed copies of non-compliance on the above-mentioned well dating back to December 27, 1991. There have been a number of extensions granted on the Fannie Ward #1 and the Wright State Com #1 with the last agreement on January 9, 1997. Southwest Production agreed then that both wells would be plugged before February 15, 1997. The Wright Com #1 has been plugged and I talked to Bob Fielder (consultant for SW Prod) and at this time there is no immediate plan to plug the Fannie Ward #1 well.

Please docket a case for hearing to show cause why the referenced well should not be plugged and abandoned according to a Division approved plugging program using the Bond # 54 44 98 issued by Gulf Insurance Company.

Sincerely.

Johnny Robinson

Deputy O&G Inspector

JR/sh

XC: T A File

Well File

Gulf Insurance Co

P O Box 1771

Dallas Texas 75221