

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

Yates Petroleum Corporation 207 South 4th Street Artesia, New Mexico 88210 Attn. Mr. Randy Paterson

> Re: T-4 Well No. 1, API # 30-037-20029 M - 5 - 10N - 27E, Quay Co., New Mexico

Dear Randy,

From our conversation several months ago here in Santa Fe concerning this well we need to get this well in compliance with the OCD rules pertaining to Temporarily Abandonment Status. Currently there is a set of perforations above the tubing packer that have not been squeezed off and is capable of flowing water to the surface when the bradenhead valves are opened.

Please submit a plan on how and when this well will be brought into compliance. Should you have any questions pertaining to this matter please contact me at this office.

Roy Johnson

District Supervisor