

OIL CONSERVATION DIVISION

December 19, 1995

Padilla Law Firm, P.A.
P.O. Box 2523
Santa Fe, New Mexico 87504-2523

Re: Case No. 11354
Order No. R-10473

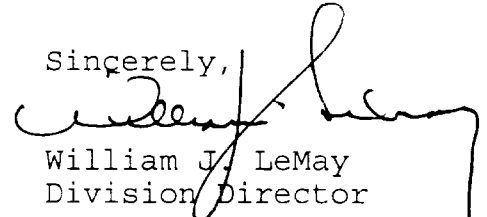
Dear Mr. Padilla:

With regards to your request on behalf of Nerdlihc Company Inc. dated December 6, 1995, please be advised that the Division hereby accepts, in principle, Nerdlihc's plan to temporarily abandon the wells described within Division Order No. R-10473, subject to the following conditions:

- 1) Nerdlihc shall subsequently obtain C-103 approval for each of the subject wells from the Division's Aztec District Office. Such form C-103 shall contain an accurate description of the well's current condition as well as an acceptable procedure for temporarily abandoning the well(s). In the event any well is not currently completed in such a manner so as to allow temporary abandonment, the Division may require the running of casing or other measures which will bring the well into compliance;
- 2) the supervisor of the Division's Aztec District Office shall determine the order in which each of the subject wells is temporarily abandoned;
- 3) work on the first of the subject wells shall commence within two weeks from the date of this letter;
- 4) work on the subject wells shall be concluded within six months from the date of this letter; and,
- 5) no further continuances shall be granted by the Division.

In the event Nerdlihc fails to comply with the above-described requirements, the supervisor of the Division's Aztec District Office shall order the subject wells to be immediately plugged and abandoned. In the event Nerdlihc fails to comply with this directive, the Division shall initiate plugging operations on the wells, utilizing any or all of Nerdlihc's plugging bond to complete this work.

Sincerely,



William J. LeMay
Division Director

xc: OCD-Aztec ✓
Case File-11354
Mr. Rand Carroll
Mr. David Catanach