



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

FINAL NOTICE

CERTIFIED MAIL

January 22, 2001

CFM OIL COMPANY
P.O. BOX 1176
ARTESIA, NM. 88211-1176

RE: INACTIVE NON-COMPLIANCE WELLS

Dear Louis :

During our meeting of 12/22/00 it was stressed that the Oil Conservation Division (OCD) currently is addressing all inactive non-compliance wells as a top priority statewide project. A mass mail out was made on May 11, and September 8, 2000 requesting information from each operator that had inactive wells.

To date, I have not received the work plan as discussed during our meeting.

By copy of this letter, the OCD director is requested to schedule a "Show Cause Hearing" to allow you the opportunity to appear and to show way a shut in order, order to plug and abandon all inactive non-compliance wells and/or to call for the forfeiture of your statewide bond is not issued. If your bond is called you can no longer operate in the State of New Mexico.

The "Show Cause Hearing" will be stayed if an aggressive plan being detailed and specific as to type of work and time frame to bring all non-compliance wells into compliance's received in this office within 15 days of receipt of this letter.

Attached is the latest (11/16/00) OCD list of inactive non-compliance wells for your company a copy of which was given to you at our meeting.

TIM W. GUM
Tim W. Gum
DISTRICT II SUPERVISOR
OIL CONSERVATION DIVISION

XC: LORI WROTENBERY ---- DIRECTOR
OCD ATTORNEY
ATTACHMENT

BEFORE EXAMINER STOONER
OCD EXHIBIT NO. <u>52</u>
CASE NO. <u>12811</u>

52

API #	Type	Last Production/ Injection	Well Name and Number	ULSTR	FNS	FEW
30-015-02858	O	05-1998	ATLANTIC STATE #001	J-02-17S-29E	2310S	1650E
30-015-01616	O	12-1995	BLAKE STATE #001	P-30-17S-28E	330S	990E
30-015-02806	I	05-1996	FOREST POOL UNIT	L-35-16S-29E	2120S	520W
30-015-02812	I	07-1995	FOREST POOL UNIT	J-35-16S-29E	1650S	2310E
30-015-21823	O	09-1998	GILLESPIE STATE #002	C-27-17S-28E	990N	1650W
30-015-22616	O	11-1998	GILLESPIE STATE #012	A-27-17S-28E	330N	330E
30-015-00243	O	06-1995	KINDLE #002	A-26-18S-26E	330N	330E
30-015-02857	O	02-1983	MORGAN STATE #003	2-02-17S-29E	660N	1650E
30-015-06102	O	07-1995	PLATT #001	M-26-18S-26E	75S	125W
30-015-00247	O	12-1991	PLATT #002	K-26-18S-26E	2310S	2310W
30-015-24064	O	12-1995	SRC STATE #001	N-23-17S-28E	330S	1650W
30-015-23570	O	06-1998	STATE B 1111 #019	A-22-17S-28E	990N	330E
30-015-23571	O	11-1997	STATE B 1111 #020	A-22-17S-28E	330N	330E
30-015-23572	O	11-1997	STATE B 1111 #021	A-22-17S-28E	330N	990E
30-015-23009	O	10-1997	STATE 4-5 #005	K-18-19S-28E	1810S	2373W
30-005-62761	O	12-1995	VALLEY B ST #001	H-27-10S-26E	2320N	660E
30-015-00235	O	01-1979	WILLIAMS #002	D-25-18S-26E	990N	990W
30-015-00318	O	10-1997	WILLIAMS #003	B-25-18S-26E	330N	2310E
30-015-00236	I	12-1992	WILLIAMS #004	F-25-18S-26E	1650N	2310W
30-015-00237	O	12-1992	WILLIAMS #005	C-25-18S-26E	990N	1980W
30-015-00238	O	09-1978	WILLIAMS #006	B-25-18S-26E	990N	2623E
30-015-22166	O	10-1998	WOLF #001	M-23-17S-28E	990S	330W
30-005-62250	O	04-1997	YATES BROWN ST #001	I-27-10S-26E	2310S	330E
30-015-02869	O	12-1992	DUBLIN #002	G-03-17S-29E	1980N	1980E
30-015-02871	O	01-1978	DUBLIN #003	2-03-17S-29E	330N	1650E

7000 0600 0026 1537 1844

U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
Postage	\$.34
Certified Fee	1.90
Return Receipt Fee (Endorsement Required)	1.50
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 3.74
Recipient's Name (Please Print Clearly) (to be completed by mailer) CFM OIL COMPANY Street, Apt. No., or PO Box No. PO BOX 1176 City, State, and ZIP+4 [®] ARTESIA NM 88211-1176	
PS Form 3800, February 2000 See Reverse for Instructions	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY						
<ul style="list-style-type: none"> ■ Complete Items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	<table border="1"> <tr> <td>A. Received by (Please Print Clearly) <i>Judy Fr/Hou</i></td> <td>B. Date of Delivery <i>1-26-01</i></td> </tr> <tr> <td>C. Signature <i>[Signature]</i></td> <td> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee </td> </tr> <tr> <td>D. Is delivery address different from item 1? If YES, enter delivery address below:</td> <td> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> </table>	A. Received by (Please Print Clearly) <i>Judy Fr/Hou</i>	B. Date of Delivery <i>1-26-01</i>	C. Signature <i>[Signature]</i>	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee	D. Is delivery address different from item 1? If YES, enter delivery address below:	<input type="checkbox"/> Yes <input type="checkbox"/> No
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C. Signature <i>[Signature]</i>	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee						
D. Is delivery address different from item 1? If YES, enter delivery address below:	<input type="checkbox"/> Yes <input type="checkbox"/> No						
1. Article Addressed to: CFM OIL COMPANY PO BOX 1176 ARTESIA NM 88211-1176	3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.						
2. Article Number (Copy from service label) 7000 0600 0026 1537 1844	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes						