



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

DECEMBER 26, 2000

J CLEO THOMPSON
325 N ST. PAUL STE. 4300
DALLAS, TX. 75201

RE: INACTIVE NON-COMPLIANCE WELLS

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, 2000 requesting information from each operator that had inactive wells. A second mail out was made on September 8, directing each operator as part of this project to provide additional information based on how they had responded to the May 11, 2000 letter.

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.

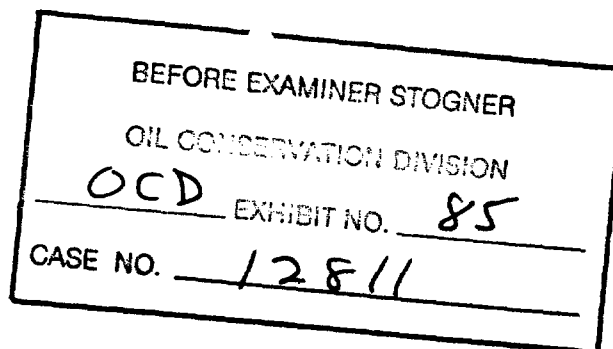
The "Show Cause Hearing" will be stayed if an aggressive plan being detailed and specific as to type of work and time frame to bring all non-compliance wells into compliance is received in this office within 30 days of receipt of this letter.

Attached is the latest (11/16/00) OCD list of inactive non-compliance wells for your company.

TIM W. GUM

DISTRICT II SUPERVISOR
OIL CONSERVATION DIVISION

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



API #	Type	Last Production/ Injection	Well Name and Number	ULSTR	FNS	FEW
30-015-03967	O	12-1993	WEST SQUARE LAKE UNIT #002	I-33-16S-30E	1980S	660E
30-015-03971	O	04-1986	WEST SQUARE LAKE UNIT #006	N-33-16S-30E	660S	1980W
30-015-04004	I	12-1992	WEST SQUARE LAKE UNIT #008	F-35-16S-30E	1980N	1980W
30-015-04081	O	06-1978	WEST SQUARE LAKE UNIT #013	J-04-17S-30E	1980S	1980E
30-015-04084	O	12-1992	WEST SQUARE LAKE UNIT #016	P-04-17S-30E	660S	660E

102595-99-M-208

When making an inquiry:
 If a postmark on the Certified Mail label with postage and mail receipt is desired, please present the article to the post office where the label was purchased. To receive a fee waiver for the label, a USPS postmark on your Certified Mail or Priority Mail label is required. To receive a fee waiver for the label, a USPS postmark on your Certified Mail or Priority Mail label is required.

Certified Mail Provides:

- A unique identifier for your mailpiece
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COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <ul style="list-style-type: none"> ■ 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. 		<p>A. Received by (Please Print Clearly) <u>219</u> B. Date of Delivery <u>1/5/01</u></p>	
<p>1. Article Addressed to:</p> <p>J Cleo Thompson 325 N St Paul Ste 4300 Dallas TX 75201</p>		<p>C. Signature <u>[Signature]</u> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
<p>2. Article Number (Copy from service label) 7000 0600 0026 1536 9964</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p>	
		<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
		<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	