

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

March 6, 2003

RE:CASE NO. 12862 ORDER NO. R-11859 N.DALE NICHOLS

Mr. Brooks:

Chairman Wrotenbery questioned why Finding No. 9 of the division's order stated that the Lewis Neff No.3, Avalanche Journal State No.4, Standard State No.3 and 6-Y were still not in compliance with Division Rule 201.B as of October 29, 2002.

Documentation stating the current well status was not received in the District office until sometime after October 29, 2002. However each of these wells except the Lewis Neff No.3 was in compliance at an earlier date as stated on the submitted documentation.

Standard State well no. 3: C-103 received 11/1/02: stated that a production well was taken on 9/9/02: however C-115 received 11/22/02 reporting this production.

Avalanche Journal State well no.4 : C-103 received 7/15/02 stated that a production well test taken 7/8/02; however C-115 not received until 10/22/02 and entered into ONGARD 10/24/02.

Standard State well no. 6-Y: P&A'd 12/17/02 (ONGARD): C-103 received on 11/1/02 state that well P&A'd 6/8/02. First field inspection made 10/23/02 showed site not ready to release. Second inspection made 12/9/02 - OK to release.

Lewis Neff Well No. 3.:TA'd 12/3/02.

odate to attachment to OCD exhibit No. 6:

The third column from the right is the operator's projected compliance date based on his work plan. The second column from the right is the actual date that the well was brought into compliance.

Please note that only 36% (5 of 14 wells) were brought into compliance within the operators projected time frame and before the 1/01/02 deadline stated in the letter of 1/10/01 as part of OCD EXHIBIT NO. 6.

Sincerely,

TIM W. GUM
DISTRICT II SUPERVISOR
OIL CONSERVATION DIVISION