

## Bill Richardson

Governor

Joanna Prukop Cabinet Secretary Reese Fullerton Deputy Cabinet Secretary Mark Fesmire
Division Director
Oil Conservation Division



CERTIFIED MAIL—RETURN RECEIPT REQUESTED 7007 2560 0002 2222 8254

June 12, 2009

Mr. J Brian Walter Walter Exploration, Inc 6116 N Central Exp #313 Dallas, TX 75206

Mr. Walter,

New Mexico Oil Conservation Division District II (OCD) is in receipt of your letter dated June 3, 2009. The letter states Walter Exploration, Inc (Walter) is "...seeking a variance to the plugging procedure..." for the J G O'Brien 003 (API 30-005-60907). Additionally Walter stated, "...the well is not in a critical area where altering the procedure slightly would cause a problem."

Walter's request for a variance did not include an alternate plugging procedure for OCD's review. Please file your proposed plugging procedure on a C-103.

OCD's objective for proper plugging and abandonment of wells is to protect public health, fresh water, and the environment.

Rule 19.15.25.10 states, "Before an operator abandons a well, the operator shall plug the well in a manner that permanently confines all oil, gas and water in the separate strata in which they are originally found."

Plugging and Abandonment of Wells Rules 19.15.25.1-11 shall apply. You may find rules at the following link: <a href="http://www.emnrd.state.nm.us/ocd/documents/20091-1CurrentRules.pdf">http://www.emnrd.state.nm.us/ocd/documents/20091-1CurrentRules.pdf</a>

OCD appreciates the opportunity to work with you. Should you have any questions regarding this matter, please contact us. Thank you.

Respectfully,

Sherry Bonham
A District Supervisor
NMOCD-District II

