



STATE OF NEW MEXICO

**ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT**

**BRUCE KING**  
GOVERNOR

OIL CONSERVATION DIVISION  
ARTESIA DISTRICT OFFICE

P.O. DRAWER DD  
ARTESIA, NEW MEXICO 88211  
(505) 748-1283

MEMORANDUM TO: SAGE OIL CO.  
FROM: Mike Williams, OCD District II Supervisor  
DATE: May 2, 1991

The OCD has revised our rule on Temporarily Abandoned wells and is now in the process of implementing the new Order No. R-9210.

Essentially what the order says is that an operator can, with regulatory approval, shut in a producing well or an injection well for up to one year; after this period of time the operator must, within 90 days, implement one of the following:

- 1) The well be placed back into beneficial use.
- 2) The well be Temporarily Abandoned in accordance with Rule 203.
- 3) The well be Plugged & Abandoned in accordance with Rule 202.

Because of the number of wells in District II which have not been produced for over one (1) year (estimated number to be 1600), the Division realizes that the work cannot be done in 90 days. For this reason, after you receive the list of wells that have not produced for over a year, check your own manpower, rig availability and economics; then, request either a meeting with the District Supervisor or submit a time frame to bring the wells into OCD compliance. This time frame will include federal wells.

If possible, the Division would like to see all wells in compliance with OCD rules within a two-year period.

The Bureau of Land Management (BLM) has agreed to implement the OCD Rule 203 requiring well integrity testing before approving a well as temporarily abandoned. Any well listed that is on a Federal Oil and Gas Lease will need prior approval of the testing procedure from the BLM. Contact the appropriate BLM office for a description of what needs to be submitted. The wells on the list that are State or Fee