

OIL CONSERVATION COMMISSION

P. O. BOX 2080

SANTA FE, NEW MEXICO 87501

RECEIVED

May 2, 1974

MAY 3 1974

A.D.C.
ARTESIA, OFFICE

Mercury Production Company
Fort Worth National Bank Building
Fort Worth, Texas 76102

Re: Mercury State #1-B Well
Sec. 17, T-10-S, R-10-E
Chaves County, New Mexico

Enclosure.

The problem the Artesia District office of the Commission has had with the plugging and abandonment of the above-captioned well has been referred to me.

Correspondence on file in the Santa Fe office indicates that the Commission has inspected this well site on at least six different occasions during 1972 and 1973 and informed you that pits must be leveled and deadmen must be cut and covered at this location before the plugging report may be approved. This location was last inspected on April 24, 1974. At that time the situation remained unchanged.

I am also aware that you have written the Commission concerning a sale of this property to Mr. Paul Shuyon of Nowell and stated that he had assumed responsibility for satisfying Oil Conservation Commission requirements concerning this well.

Commission files reflect that Mercury Production Company, not Mr. Shuyon, owns the well in question. Any agreement you may have with Mr. Shuyon runs between the two of you. It does not operate to exempt you from complying with Commission rules and regulations.

The Commission has been extremely patient in allowing you time to clean up this well site. If, however, the site is not cleaned up to the satisfaction of Mr. Helen A. Morris, Oil and Gas Inspector in the Artesia office of the Commission, by June 1, 1974, further action will be taken on this date.

Very truly yours,

WILLIAM L. GARR
General Counsel

WLG/ax