



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
ARTESIA DISTRICT OFFICE

October 28, 1981

BRUCE KING  
SOUTHERN  
LARRY KEHOE  
SECRETARY

PO DRAWER DD  
ARTESIA, NEW MEXICO 88210  
(505) 746-1283

Umex Inc.  
P.O. Box 342  
Roswell, New Mexico 88201

Re: Cannon Fee  
#2-A-17-10-25  
Chaves County, New Mexico

Gentlemen:

According to information furnished this office the subject well was drilled to approximately 450' and a string of tools were lost and could not be recovered.

The well was reported plugged and you moved approximately 30' west and started drilling another hole without approval from this office, or filing the necessary reports.

On August 28, 1981, a notice was placed on the dog-house, ordering you to cease all drilling activity until such time as you were in compliance with the Oil Conservation Division rules and regulations.

Mr. John DiPaolo was cautioned against any further drilling until such time as the first hole was properly plugged and all necessary reports were submitted and approved for both holes.

To date the reports have not been received and on an inspection, October 27, 1981, we found the well drilling at 95'. Your driller was instructed to shut down immediately.

In view of the above violations we are hereby referring this matter to our attorney Mr. Perry Pierce for further action.

Sincerely,  
*W.A. Gressett*

W.A. Gressett  
Supervisor, District II

WAG:mm

cc Mr. Perry Pierce  
P.O. Box 2088  
Santa Fe, New Mexico 87501