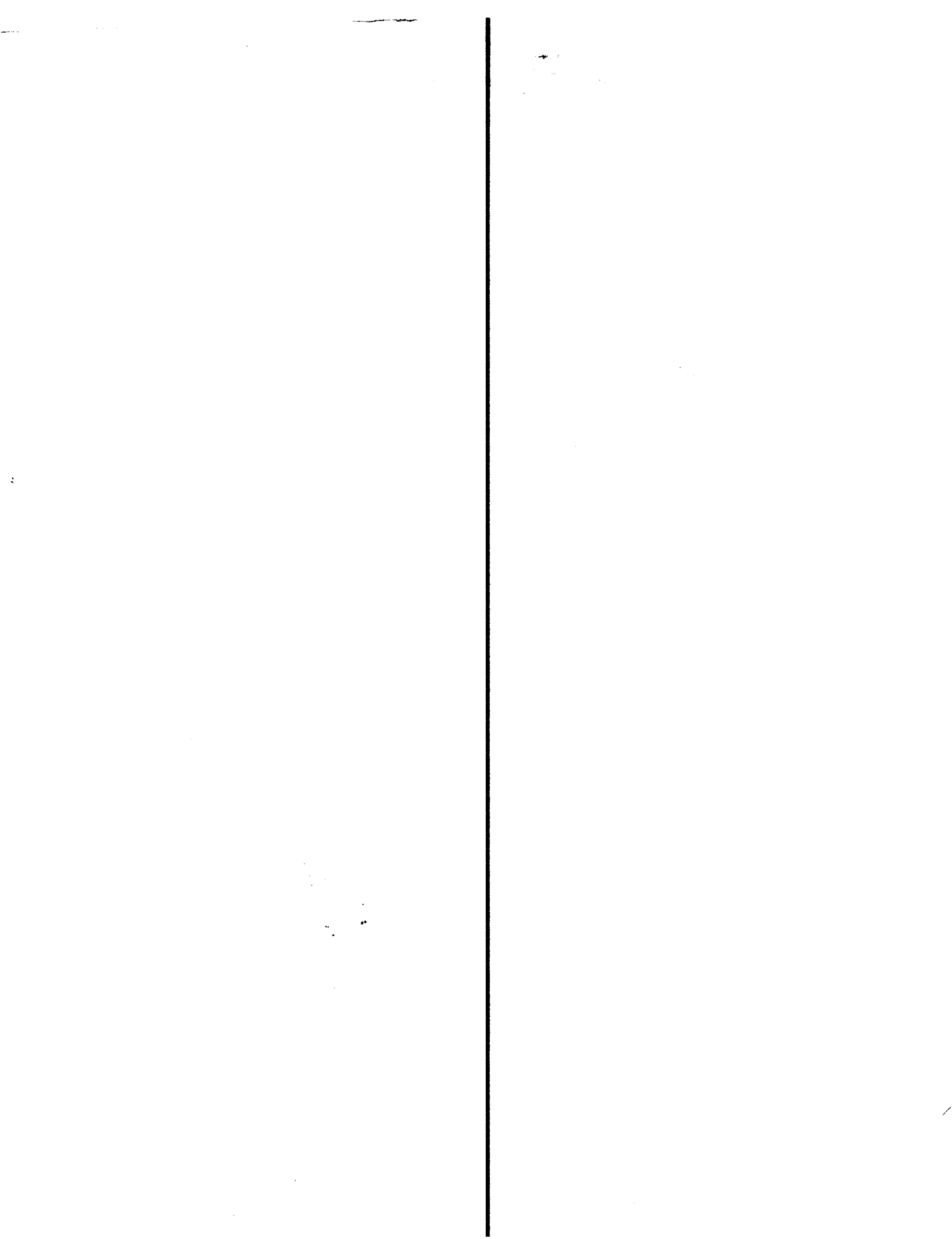


30-015-30717

OCRID 16696

PROP 24799

POO1 77880





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Lori Wrotenbery**

Director

**Oil Conservation Division**

**File  
Copy**

12 February 2003

Oxy USA Inc.  
P. O. Box 50250  
Midland, Texas 79710-0250

RE: Oxy Bay State # 1 O-33-17-29 30-015-30717

Dear Sirs:

An inspection of this well found it not to be producing. A search of the reports found that no production is being reported. This well is in violation of Rule 201.

Rule 201 of the New Mexico Oil Conservation Division provides as follows:

#### **201 WELLS TO BE PROPERLY ABANDONED**

201.A. The operator of any well drilled for oil, gas or injection; for seismic, core or other exploration, or for a service well, whether cased or uncased, shall be responsible for the plugging thereof. [7-12-90...2-1-96]

201.B. A well shall be either properly plugged and abandoned or temporarily abandoned in accordance with these rules within ninety (90) days after:

- (1) A sixty (60) day period following suspension of drilling operations, or
- (2) A determination that a well is no longer usable for beneficial purposes, or
- (3) A period of one (1) year in which a well has been continuously inactive.

To bring the well into compliance you have 3 options:

1. Put the well into production.
2. T.A. the well.
3. P. A. the well.

**In the event that a satisfactory response is not received to this letter of direction by 19 May, 2003** further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of **CIVIL PENALTIES** for your violation of OCD rules.

Sincerely,

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Van Barton  
Field Rep. II