

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
- 2. Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Ms. Laurie Cherry
Arco Permian
P.O. Box 1610
Midland, TX 79702

4a. Article Number

7099 3220 0005 0938 7653

4b. Service Type

- Registered Certified
- Express Mail Insured
- Return Receipt for Merchandise COD

7. Date of Delivery

JUL 11 2000

5. Received By: (Print Name)

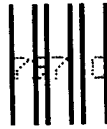
8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X 

Thank you for using Return Receipt Service.

UNITED STATES POSTAL SERVICE

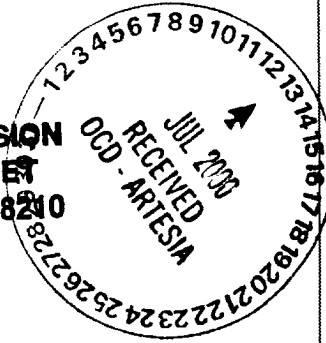


757 07/11/00

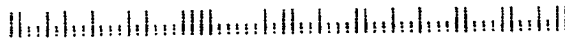
First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Print your name, address, and ZIP Code in this box •

OIL CONSERVATION DIVISION
811 SOUTH FIRST STREET
ARTESIA, NEW MEXICO 88210



03



FILE COPY



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

July 7, 2000

CERTIFIED MAIL RETURN RECEIPT # 7099 3220 0005 0938 7653

Arco Permian
P.O. Box 1610
Midland, TX 79702
Attn: Laurie Cherry-Regulatory Compliance

RE: Cancellation of Allowable to Produce for Arco Permian's Sweet Thing '36' State # 2 located in Section 36, Township 20 1/2 South, Range 21 East, Lot 1 in Eddy Co., NM

Dear Laurie,

In reference to the above well, Arco Permian is ordered to **shut-in said well on July 21, 2000** for failure to comply with the rules and regulations set forth by the New Mexico Oil Conservation Division (NMOCD). This certified letter is being sent in part because phone calls left on your answering machine have brought no response. Rules and Regulations require that all gas wells, 60 days after completion, submit an open flow potential test to be submitted on (Form C-122). Please refer to Rule 401.A. for further clarification of this rule.

In addition, subsequent report (Form C-103) indicates that that Arco Permian did not circulate cement to surface on the 5 1/2" production string as indicated on (Form C-101). Please provide to the NMOCD supporting information why Arco Permian decided to deviate from the approved C-102 application.

Finally, I am returning the well completion report (C-105) so that you may complete information requiring geological formation tops on the back of this form.

Respectfully yours,

Bryan G. Arrant
District II Geologist
Artesia OCD

cc: Lori Wrotenbery, Division Director- Santa Fe
Tim Gum, District Supervisor- Artesia
EPFS, Gas Transporter- Houston