State of New Mexico Energy, Minerals and Natural Resources Department

Letter of Violation 10 Day Response Required

Susana Martinez Governor

HOE3S OCD **David Martin** Cabinet Secretary-Designate

JUN 1 7 2013

RECEIVED

Brett F. Woods, Ph.D. **Deputy Cabinet Secretary** Jami Bailey, Division Director **Oil Conservation Division**



Merit Energy Company, LLC 13727 Noel Road STE 500 Dallas, TX 75240

June 17, 2013

Attn: Matt Ogden:

RE: STATUS OF WELL API# 30-025-28274 STATE A A/C 2, WELL #65, UNIT E, SEC9-T22S-R36E **RETURN WELL TO PRODUCTION OR PLUG AND ABANDON**

Dear Mr. Ogden:

After further review of the well referenced above, the 2 options allowed by the State of New Mexico to bring this well into compliance are listed below:

- 0 Repair the well and place the well on active status.
- Plug and abandon this well according to Rule 19.15.25.8 •

Operator must respond within 10 days of receipt of this letter. A NOI applicable to one of the options above will be required.

If you have any questions, please contact E.L. Gonzales, District Supervisor, at the Hobbs OCD District 1 Office @ 575-393-6161 x102.

Sincerely Sylvia A. Dickey

Field Compliance Officer

EMNRD OIL CONSERVATION DIVISION 1625 N FRENCH DRIVE HOBBS NM 88240

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MERIT ENERGY COMPANY LLC ATTN: MATT OGDEN 13727 NOEL ROAD STE 500 DALLAS, TX 75240