New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Jon Goldstein Cabinet Secretary Jim Noel Deputy Cabinet Secretary Mark Fesmire
Division Director
Oil Conservation Division



March 2, 2010

Sabre Operating Inc. PO Box 4848 Wichita Falls, TX 76308

Reference:

Bagley State #1, 30-025-21889, H Sec 16-T11S-R33E Bagley State #2, 30-025-21928, B Sec 16-T11S-R33E Bagley State #3, 30-025-22016, C Sec 16-T11S-R33E

Dear Operator:

Recent inspection(s) at the request of surface lessee/rancher Ricky Pearce, has brought attention to the fact that approximately 13 operator owned electric poles, with electric wire and 1 set of transformers were left after the three (3) referenced wells were plugged. Two (2) poles have broken off causing the transformers and wire to fall to the ground. The OCD requests that the operator remove poles, wire and transformers from these locations under Rule 19.15.25.10.D. (4).

In the event that you have questions please contact Staff Manager, E.L. Gonzales at 575-393-6161 ext. 114.

Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infrastructure of the oil and gas industry.

Sincerely,

COMPLIANCE OFFICER

Hobbs OCD District Office

EM NRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



SABRE OPERATING INC. PO BOX 4848 WICHITA FALLS, TX 76308