

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Conservation Division

Cabinet Secretary

July 21, 2000

Bill O' Brien, President Bobco International, Inc. P. O. Box 934 Cloudcroft, NM 88317

Re: C.L. O'Brien # 1-Stevens Operating Co. U.L.- A S-7 T-8S R30E

Dear Mr. O'Brien:

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Cover

Article Sent To:
BILL O BRIEN, PESIDENT
BOBCO TATL, INC. BOX 934 CONTOUR
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City, State, ZiP+4

Lori Wrotenbery

Oil

Director

This letter is in reference to your request for an extension to evaluate the C.L. O'Brien #1 well located in U.L. A Sec. 7 Township 8S Range 30E, Chaves, County. On July 14,1999 Chris Williams sent you a letter asking you to perform one of three options (1) temporarily abandon this well by setting a cast iron bridge plug above the top perforation in the producing zone and testing the casing (2) Put the well back on production (3) plug and abandon this well according to District 1 Rules. You were asked to respond on or before August 15, 1999. On August 16,1999, you had a telephone conversation with Chris indicating you had a possible buyer for the well and would know by the end of the month. You also indicated you had been waiting for oil prices to go up. At this time Chris granted you a two week extension to September 1,1999, after this time there would be no more extensions, and the matter would go to hearing. Mack Chase with Mack Energy called Chris and requested another extension for you so his company could look at the well and see what needed to be done. Chris gave Mack until March 15,2000, or six months to evaluate the well. He stated withing was done by this time the matter would go to hearing as soon after March 15,2000, as possible. Since there has not been any correspondence since this time, if we do not have a response by July 31, 2000 we will have no other recourse except to set this matter up for a show cause hearing in Santa Fe. If you have any questions please do not hesitate to contact the Hobbs O.C.D. District 1 Office @ 505-393-6161Ext. 114 or 102, or you may talk with O.C.D. Santa Fe attorney, Lyn Hebert @ 505-827-1364. Enclosed you will find a copy of Chris Williams referenced letter. Thank you in advance for addressing this issue.

Sincerely

Gary Wink, Field Representative II

CC: Chris Williams; Lyn Hebert-Santa Fe; Billy Prichard; File

