



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
HOBBS DISTRICT
P.O. BOX 1980
HOBBS, NEW MEXICO 88240
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Jennifer A. Salisbury
CABINET SECRETARY

September 4, 1997

Northland Operating Company
3500 Oak Lawn Ste 380
Dallas, Texas 75219-4398

Dear Mr. McKnight:

I recently received your request on our C-103 Sundry Notices that you are requesting an extension of temporary abandonment of wells Cap Rock Queen #96 and #50. These wells are not correctly temporarily abandoned according to the rules and regulations of the New Mexico Oil Conservation Division (NMOCD). It is my understanding that Mr. Jerry Sexton the previous District 1 Supervisor had given Northland Operating Company permission to leave these wells shut-in in their present condition for six months while Northland was arranging for financing back in January or February of 1997. That six months is up!

There are three options that can be pursued at this point; 1) Plug and abandon these wells according to NMOCD rules within 30 days 2) Properly temporarily abandon these wells according to NMOCD rules within 30 days; 3) or return the wells to production within the next 30 days.

Sincerely,

Chris Williams
District 1 Supervisor