

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

June 22, 2000

Nearburg Producing Co. POB 823085 Dallas,Tx 75382-3085

RE: Caldwell "24"#1

Unit Letter H, Section 24, Township 8 South, Range 33 East

Gentleman:

Through routine inspection it has come to our attention that the above well's Temporary Abandonment status expired May 1, 1996. Wells can not be shut in for longer than 1 year. The following options are available for the further disposition of this well.

1. Restore the well to production

2. Conduct successful 500 psig for 30 minute mechanical integrity test and request continuance of TA status.

3. Submit a proposal to plug and abandon the well, proceed with plugging on a timely basis after the proposal has been evaluated, amended and or approved.

To avoid further action, we rquest that you exercise one of the above options no later than July 28,2000. We request that you notify this office 24 prior to any operation in order to witness the operation, either repair or plugging and pressure test upon completion of repairs or to request TXA status.

Very truly yours
OIL CONSERVATION DIVISION

Billy E. Prichard Deputy Inspector, District 1

BP:pc

CC:

Nearburg Producing Co. Midland,TX Chris Williams Gary Wink Sylvia Dickey File