



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
DISTRICT I Hobbs
PO BOX 1980
Hobbs, NM 88241-1981
(505) 393-6161

Jennifer A. Salisbury
CABINET SECRETARY

March 17, 1998

Paladin Energy Corp.
10290 Monroe Drive
Dallas, TX 75229

RE: J L REED #3, UNIT G, S35-T13S-R37E

Gentlemen:

An Oil Conservation Division Representative recently witnessed a bradenhead test on the above referenced well.

The well failed to demonstrate mechanical integrity standards, with the information available indicating a possible casing leak.

As required by the EPA , we request that you shut in this well until such time as repairs are made and approved.

We are enclosing a copy of the test sheet for your information.

We request 24 hours prior notice to repairs and pressure test so that an OCD Representative may be present to witness.

Sincerely,

A handwritten signature in cursive script that reads "Chris Williams".

CHRIS WILLIAMS
District I Supervisor

/sad

cc: Lori Wrotenbery
✓file