

BRUCE KING

GOVERNOR

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

July 16, 1992

POST OFFICE BOX 1980. HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

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Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210

Attn: M. W. Slater

RE:

Texas Crude AHL State #1 Unit A, Sec. 27, T14S, R34E

Gentlemen:

In June 1990 you re-entered the above-referenced well and attempted a completion in the High Plains Permo Penn Pool. You later filed an application and received approval to use the well as water disposal well.

Under our new TA policy you will need to pressure test this well and get a TA permit or convert it to a disposal well. The well has been in an inactive state for two years.

Your prompt attention to this matter will be expected.

Very truly yours,

OIL CONSERVATION DIVISION

Gerry Sexton

Supervisor, District I

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