



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
DISTRICT I HOBBS
1625 N. French Drive, Hobbs, NM 88241
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Jennifer A. Salisbury
CABINET SECRETARY

May 11, 2000

Louis Dreyfus Natural Gas Corp.
14000 Quail Springs Pkwy
Ste 600
Oklahoma City, Ok 73134-2600

RE: State of NM T #4
UL P, Sec 32, T13S, R33E
State of NM T #5
Lot 3, Sec 4, T14S, R33E
State of NM T #3
Lot 4, Sec 4, T14S, R33E
State of NM P #2
UL N, Sec 33, T13S, R33E

Gentlemen:

Through routine inspection it has come to our attention that the above referenced wells have been shut in for an extended period of time. A review of our records shows that these wells have not been Temporarily Abandoned. Production wells can not be shut in for longer than a year.

The following options are available regarding the future disposition of this well:

1. Restore the wells to production.
2. Set plug, conduct mechanical integrity test, and request temporary abandoned status.
3. Submit a proposal to plug and abandon the wells, proceed with plugging on a timely basis after the proposal has been evaluated, amended and or approved

To avoid further action on these wells the NMOCD request that you submit a NMOCD form C-103 detailing us your intent for each of your wells within 60 days of receipt of this letter. NMOCD forms are available of the internet www.emnrd.state.nm.us .. We request that you notify this office 24 hours prior to any operation in order to witness the operation, whether it is repair or plugging and pressure test upon completion of repairs or to request TXA status.

Very truly yours
OIL CONSERVATION DIVISION

Billy Prichard
Deputy Inspector, District 1

Xc: Chris Williams /
Gary Wink 2
Sylvia Dickey 3
Lyn Hebert-NMOCD Attorney 4
File 5
me 6
LD 7