



Billy

Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

July 20, 1999

New Mexico Oil Conservation
Division
1625 N. French Drive
Hobbs, New Mexico 88241

Re: Lowe #1
Sec 25, T13S, R37E
Lea County, New Mexico

Gentlemen:

Enclosed is a copy of your June 29, 1999 letter regarding the captioned well.

Manzano has not been the operator on this well for quite some time, however, in reviewing our files, we did not find a copy of an approved C-104 changing the operator to Paladin Energy Corp. I have, therefore, mailed a C-104 to Paladin for their execution and return to you changing the operator with an effective date of 7/15/97.

If you have any questions, please do not hesitate to call.

Very truly yours,

Allison Hernandez.
Drilling Secretary

:ah

Enclosures (5)



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
DISTRICT 1 HOBBS
625 N. French Drive, Hobbs, NM 88241
(505) 393-6161
FAX (505) 393-0720

Jennifer A. Salisbury
CABINET SECRETARY

June 29, 1999

Manzano Oil Corporation
P O Box 2107
Roswell, NM 88202-2107

RE: Lowe # 1
Unit Letter M, Section 25, Township 13 South, Range 37 East

Gentlemen:

Through routine inspection it has come to our attention that the above referenced well has been shut in for an extended period of time. Producing wells cannot be shut in for longer than one year.

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

1. Restore the well to production.
2. Set plug, conduct mechanical integrity test, and request temporary abandoned status.
3. Submit a proposal to plug and abandon the well and proceed with plugging on a timely basis subsequent to District 1 approval.

To avoid further action, we request that you exercise one of the above options no later than September 27, 1999.

We request that you notify this office 24 hours prior to commencement of any operation in order to witness the field operations.

Very truly yours

OIL CONSERVATION DIVISION

Billy Prichard
Deputy Inspector, District 1

BP:pc

Xc: Chris Williams
Gary Wink
File

Handwritten notes:
12/25
What to do with this?
7-6-99