

NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-8181

March 14, 1996

Leigh Operating Company
2600 State Street
Dallas, Texas 75204

Re: Caudill State SWD #2-B, Sec. 26, T15S, R36E

Gentlemen:

We have scheduled bradenhead tests on this well in 1994 and 1995, and your personnel failed to show up to conduct these tests.

According to our records, the above referenced salt water disposal well has been shut in for an extended period of time. We are enclosing a copy of page I-5, Oil Conservation Division Rules and Regulations, regarding shut in injection and salt water disposal wells.

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

- 1> Make any repairs necessary, conduct an annulus pressure test to confirm the results of the repairs, and re-activate the well.
- 2> Set a plug, conduct an annulus pressure test, and request temporary abandoned status.
- 3> Submit a proposal to plug and abandon the well, proceed with the plugging on a timely basis after the proposal has been evaluated, amended and/or approved.

To avoid further action, we request that you exercise one of the above options no later than April 30, 1996.

We request that you notify this office 24 hours prior to any operation in order to witness the operation, either repair or plugging, and the pressure test upon completion of repairs or to request TA status.

Very truly yours

OIL CONSERVATION DIVISION

Jerry Sexton by Gary W. Wink
Jerry Sexton
Supervisor, District I

JS:bp

cc: William J. LeMay
File