



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

February 3, 1998

POST OFFICE BOX 1980  
HOBBS, NEW MEXICO 88241-1980  
(505) 383-8161

Alliance Corporation  
3130 N Grimes  
Ste B  
Hobbs NM 88240

Attn: Steve Foster

RE: STATE AJ (SWD) #1, UNIT G, S33-T18S-R36E

Dear Mr. Foster:

It has come to our attention that the above well has not been shut in, as requested by the Oil Conservation Division, in our letter dated February 21, 1997. It has also been noted that no repairs have been made on this well, after it failed to meet mechanical integrity standards during the pressure test on February 3, 1997.

To comply with OCD rules and regulations, please make any repairs necessary to correct the tubing and/or packer leak, conduct a pressure test to confirm the integrity of the repairs, and forward the sundry and chart confirming the above has been done. We request 24 hours notice in order to witness the operations and pressure test upon completion of repairs.

Failure to shut in a well, and remain shut in after it has been determined defective constitutes a significant non-compliance. To avoid further disciplinary action please shut this well in and forward the Sundry C103 and test chart verifying that the above request has been done no later than April 3, 1998.

Sincerely,

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

CHRIS WILLIAMS  
District I Supervisor

/sad

cc: Lori Wrotenbery  
File