



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
DISTRICT I HOBBS  
PO BOX 1980, Hobbs, NM 88241  
(505) 393-6161  
FAX (505) 393-0720

Jennifer A. Salisbury  
CABINET SECRETARY

March 6, 1998

Phelps White  
Primero Operating, Inc  
PO Box 1433  
Roswell, NM 88202-1433

RE: OIL CONSERVATION DIVISION FORM C-140 REJECTION

Dear Mr. Phelps White

We are rejecting form C-140 attached because of the well in this application never had twelve (12) months of established production. Months during which the well was shut-in between months in which there is production do not count.

After reviewing the production history for Plains Radio State # 1-E Sec 23 Twn 17 S Rng 35 E indicates that this well had less than thirty (30) days of production between January 1, 1993 and December 31, 1994. This well does qualify under Rule 1139 for the Production Restoration Incentive Tax Exemption and should be reapplied for using form C-139.

Please be further advised that delays in processing forms in the future can be avoided by providing all necessary data, signatures and attachments. If you have any questions about this matter and C-139/C-140 applications, please call (505) 393-6161 for assistance from Paul Kautz.

Yours very truly,

OIL CONSERVATION DIVISION

*Chris Williams (PK)*

Chris Williams  
District I, Supervisor