



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

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 383-6161

February 3, 1998

Quay Valley, Inc.
P.O. Box 10280
Midland, TX 79702

RE: RUSSELL FEDERAL (SWD) #6-K, S20-T26S-R32E

Gentlemen:

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 20, 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 bradenhead test on February 6, 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,

CHRIS WILLIAMS
District I Supervisor

/sad

cc: Lori Wrotenbery
/File