



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

January 22, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Beach Exploration Inc.
800 N. Marienfeld
Suite 200
Midland, TX 79701

VIA: CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Re: Case No. 12811: Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division has filed the referenced Application, a copy of which is enclosed herewith, seeking an order requiring you to bring specified inactive wells in Eddy, Chaves and Otero Counties, New Mexico into compliance with Division Rule 201.B, by either restoring such wells to production or beneficial use, permanently abandoning or temporarily abandoning them. In addition, the Division seeks assessment of civil penalties for your failure to comply with previous administrative notices to bring these wells into compliance.

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Operational inquiries concerning the subject of this hearing should be directed to Mr. Tim Gum, District Supervisor, Oil Conservation Division, 1301 West Grand Avenue, Artesia, NM 88210; phone (505)-748-1283. Counsel may contact the undersigned in the Santa Fe office at (505)-476-3450.

Very truly yours,

David K. Brooks
Assistant General Counsel



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Lori Wrotenbery
Director
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Bill & Patsy Rich
1008 W. Broadway
Hobbs, NM 88240

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Lori Wrotenbery
Director
Oil Conservation Division

Brothers Production Co Inc
Box 7515
Midland, TX 79708

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Lori Wrotenbery
Director
Oil Conservation Division

C.E. Larue & B.M. Muncy, Jr.
Box 1370
Artesia, NM 88211-1370

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Lori Wrotenbery
Director
Oil Conservation Division

C.F.M. Oil Co.
Box 1176
Artesia, NM 88210

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Lori Wrotenbery
Director
Oil Conservation Division

C.O. Fulton
Box 1121
Artesia, NM 88211

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Lori Wrotenbery
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Oil Conservation Division

Calvin F. Tennison
1607 N. L street
Midland, TX 79701

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David K. Brooks
Assistant General Counsel



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Lori Wrotenbery
Director
Oil Conservation Division

Chi Operating Inc.
Box 1799
Midland, TX 797702

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Director
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Cibola Energy Corp.
Box 1668
Albuquerque, NM 87103

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Director
Oil Conservation Division

Dakota Resources Inc. (I)
911 N. Midkiff
Midland, TX 79701

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David G. Hammond
Box 1538
Artesia, NM 88201

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Dennis Langlitz
1425 S. Country Club Cir.
Carlsbad, NM 88220

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Dorothy Boyce
149 E. Kincaid Ranch Road
Artesia, NM 88210

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E.G.L. Resources Inc.
Box 371
Midland, TX 79702

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Elk Oil Co.
Box 310
Roswell, NM 88201

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Director
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Fi-Ro Corporation
RR4
6628 Devonian
Roswell, NM 88201

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Acting Cabinet Secretary

January 22, 2002

Lori Wrotenbery
Director
Oil Conservation Division

GPII Energy, Inc.
Box 50682
Midland, TX 79710

VIA: CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Re: Case No. 12811: Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.

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Very truly yours,

David K. Brooks
Assistant General Counsel



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

January 22, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Great Western Drilling Co.
Box 1659
Midland, TX 79701

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Lori Wrotenbery
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Oil Conservation Division

Hanson Energy
R 342 S. Haldeman Rd
Artesia, NM 88210

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Lori Wrotenbery
Director
Oil Conservation Division

Happy Oil Co. Inc.
811 Bullock Ave.
Artesia, NM 88210

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NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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Carol Leach
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January 22, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Hudson Oil Company of Texas
616 Texas Street
Ft. Worth, TX 76102

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Assistant General Counsel



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Carol Leach
Acting Cabinet Secretary

January 22, 2002

Lori Wrotenbery
Director
Oil Conservation Division

I.T. Properties
3214 W. Park Row
Suite L
Arlington, TX 76013

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January 22, 2002

Lori Wrotenbery
Director
Oil Conservation Division

J. Cleo Thompson
325 N. St. Paul
Suite 4300
Dallas, TX 75201

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JDR Ltd.
811 Bullock Ave.
Artesia, NM 88210

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Jalapeno Corp.
Box 1608
Albuquerque, NM 87103

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Jenkins Bros Drilling Co.
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Loco Hills, NM 88255

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John A. Yates, Jr.
Box 853
Artesia, NM 88210

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Judah Oil
Box 568
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Kersey & Donohue
Box 316
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Oil Conservation Division

Kimbell Oil Co. of Texas
500 Throckmorton
Suite 3000
Ft. Worth, TX 76102

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Klabzuba Oil & Gas, Inc.
930 W. First St.
Ft. Worth, TX 76102

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Acting Cabinet Secretary

January 22, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Limark Corporation
Box 10708
Midland, TX 79702

VIA: CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Re: Case No. 12811: Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.

Ladies and Gentlemen:

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Very truly yours,

David K. Brooks
Assistant General Counsel



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

January 22, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Louis Dreyfus Natural Gas Corporation
14000 Quail Springs Pkwy
Suite 600
Oklahoma City, OK 73134-2600

VIA: CERTIFIED MAIL, RETURN RECEIPT REQUESTED

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Governor

Carol Leach

Acting Cabinet Secretary

January 22, 2002

Lori Wrotenbery

Director

Oil Conservation Division

M.E.W. Enterprises
300 S. Kentucky Av
Roswell, NM 88203-4523

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GARY E. JOHNSON
Governor
Carol Leach
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January 22, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Mack Energy Corp.
Box 960
Artesia, NM 88211-0960

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Governor
Carol Leach
Acting Cabinet Secretary

January 22, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Mar Oil & Gas Corp.
Box 2188
Roswell, NM 88202-2188

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David K. Brooks
Assistant General Counsel



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

January 22, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Matador Operating Co.
8340 Meadow Rd.
Suite 158
Dallas, TX 75231

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Handwritten signature of David K. Brooks in cursive.

David K. Brooks
Assistant General Counsel



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Acting Cabinet Secretary

January 22, 2002

Lori Wrotenbery
Director
Oil Conservation Division

McQuadrangle, LC
7008 Salem Ave.
Lubbock, TX 79424

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GARY E. JOHNSON
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Carol Leach
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January 22, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Mewbourne Oil Co.
Box 7698
Tyler, TX 75711

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January 22, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Mineral Technologies, Inc.
Box 5823
Midland, TX 79704

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Lori Wrotenbery
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Oil Conservation Division

Mitchell Energy Corporation
Box 4000
The Woodlands, TX 77387

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Oil Conservation Division

Nadel and Gussman Permian, LLC
3200 1st National Tower
Tulsa, OK 74103

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Naumann Oil & Gas Inc.
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Director
Oil Conservation Division

Nearburg Producing Co.
Box 823085
Dallas, TX 75382

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Oil Conservation Division

January 22, 2002

Ocean Energy, Inc.
1001 Fannin
Suite 1600
Houston, TX 77002

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Director
Oil Conservation Division

January 22, 2002

H. Dwayne & Rhonda K. Parrish
1306 S. 9th Street
Artesia, NM 88210

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Oil Conservation Division

January 22, 2002

Permian Resources Inc.
Box 590
Midland, TX 79702

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January 22, 2002

Petroleum Development Corp.
4113 Eubank Blvd
Suite 400
Albuquerque, NM 87111

VIA: CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Re: Case No. 12811: **Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.**

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Very truly yours,

David K. Brooks
Assistant General Counsel



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

Pogo Producing Co.
Box 10340
Midland, TX 79702-7340

VIA: CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Re: Case No. 12811: **Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.**

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Handwritten signature of David K. Brooks in cursive.

David K. Brooks
Assistant General Counsel



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

Prairie Sun, Inc.
3103 Yeso Rd.
Box 8280
Rsowell, NM 88201

VIA: CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Re: Case No. 12811: **Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.**

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David K. Brooks
Assistant General Counsel



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

Pronghorn Management Corp.
Box 1772
Hobbs, NM 88241

VIA: CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Re: Case No. 12811: **Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.**

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David K. Brooks
Assistant General Counsel



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

Quality Production Corp.
Box 750
Hobbs, NM 88241

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David K. Brooks
Assistant General Counsel



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

Ralph E. Williamson
P.O.Box 994
Midland, TX 79702

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Re: Case No. 12811: **Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.**

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A handwritten signature in cursive script that reads "David K. Brooks".

David K. Brooks
Assistant General Counsel



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

Ray Westall
Box 4
Loco Hills, NM 88255

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Re: Case No. 12811: **Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.**

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Governor
Carol Leach
Acting Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

Sandlott Energy (Jackie Brewer DBA)
Box 711
Lovington, NM 88260

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Re: Case No. 12811: **Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.**

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Carol Leach
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Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

Shackelford Oil Co.
Box 10665
Midland, TX 79702

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Carol Leach
Acting Cabinet Secretary

Lori Wrotenbery
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Oil Conservation Division

January 22, 2002

Smith & Marris, Inc.
Box 863
Kermit, TX 79745

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Lori Wrotenbery
Director
Oil Conservation Division

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Southwest Royalties, Inc.
Box 11390
Midland, TX 79702

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Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

St. Mary Land & Exploration Company
1776 Lincoln Street
Suite 1100
Denver, CO 80203-1080

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Governor
Carol Leach
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Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

Tom Brown, Inc.
555 17th Street
Suite 1850
Denver, CO 80202

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Acting Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

United Oil & Minerals, Inc.
1001 Westbank DR
Austin, TX 78746

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Lori Wrotenbery
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Oil Conservation Division

January 22, 2002

Vintage Drilling, LLC
P.O.Box 158
Loco Hills, NM 88255

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Acting Cabinet Secretary

Lori Wrottenbery
Director
Oil Conservation Division

January 22, 2002

Western Reserves Oil Co. Inc.
Box 993
Midland, TX 79702

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Oil Conservation Division

January 22, 2002

Yates Drilling Co.
105 S. Fourth St.
Artesia, NM 88210

VIA: CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Re: Case No. 12811: **Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.**

Ladies and Gentlemen:

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Very truly yours,

David K. Brooks
Assistant General Counsel



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

Dakota Resources Inc (I)
310 W. Wall Ave.
Suite 814
Midland, TX 79701

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GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

Fi-Ro Corporation
Box 315
Natchez, MS 39120

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Assistant General Counsel



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

KC Resources, Inc.
169 Saxony Rd.
Suite 212
Encinitas, CA 92024

VIA: CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Re: Case No. 12811: **Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.**

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Assistant General Counsel



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

KC Resources, Inc.
224 Birmingham DR
Suite 1A1
Cardiff, CA 92007

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David K. Brooks
Assistant General Counsel



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

KC Resources, Inc.
c/o Jimmy Davis
36 Haven Hill Rd
Artesia, NM 88210

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Governor
Carol Leach
Acting Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

Petroleum Development Corp.
9720-B Candelaria NE
Albuquerque, NM 87112

VIA: CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Re: Case No. 12811: **Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.**

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Governor
Carol Leach
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Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

Quality Production Corp.
215 S. Leech St.
Hobbs, NM 88240

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Lori Wrotenbery
Director
Oil Conservation Division

Harvey E. Yates Co.
Box 1933
Roswell, NM 88202

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Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2002

Aghorn Operating Inc.
P.O.Box 12663
Odessa, TX 79768-2663

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January 22, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Aroc (Texas) Inc.
P.O.Box 702373
Tulsa, OK 74170-2373

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Bass Enterprises Production Co
Box 2760
Midland, TX 79702

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Oil Conservation Division

BC Development LP
Box 50820
Midland, TX 79710

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