NEW N-30-XICO ENERGY, MINE, ALS NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor Jennifer A. Salisbury Cabinet Secretary

Lori Wrotenbery Director Oil Conservation Division

Field Inspection Program "Preserving the Integrity of Our Environment"

SECOND NOTICE

18-Jul-01

CROSS TIMBERS OPER CO

3000 NORTH GARFIELD MIDLAND, TX 79705**STE 175**

Dear Sirs:

The following inspection(s) indicate one or more violations as described in the detail section below. The inspection(s) indicates that the well, equipment, location or operational status failed to meet standards of the New Mexico Oil Conservation Division. To comply with guidelines as established in the Division Rules and Regulations, corrective actions must be taken immediately and the situation brought into compliance. The detail section below indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division.

Please notify the proper district office of the Division of the date corrective actions are scheduled and arrangements made so the well and/or facilities may be reinspected.

INSPECTION DETAIL SECTION

SOUTHEAST MALJAMAR GB/SA A-32-17S-33E

30-025-01353-00-00

Inspection Date Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

07/12/2001

Compliance

Johnny Robinson

Yes

No

8/6/2001

iJDR0119359777

Comments on Inspection:

Checked status of well failing the 10/10/1996 pressure test and the 11/20/2000 BHT. Compliance

due date was for the 11/2000 test was 2/23/2001

SOUTHEAST MALJAMAR GB/SA H-29-17S-33E ≠ \$05

30-025-01553-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

07/12/2001

Compliance

Johnny Robinson

Yes

No

8/6/2001

iJDR0119359989

Comments on Inspection:

Checked status of well failing the 11/20/2000 pressure test. The well is SI and hasn't been

repaired. Compliance due date was 2/23/2001