

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

7/13/2004

Marks and Garner Production Ltd PO Box 70 Lovington, NM 88260

Re: Wells listed on attachment

Dear Operator:

The wells listed on the attachment were scheduled for Mechanical Integrity Test (Bradenhead) on March 15, 2004. No company representative was available at that time to perform the necessary tests and the wells were failed.

A letter was sent on March 15, 2004 notifying you that the wells were in violation and were to be shut in immediately, pending your contact with this office to reschedule.

As of this date, the wells have not been tested and are required to be shut in pending the actual testing of the wells.

Any well which is incapable of injection at the time of testing will require a pump truck and chart recorder to determine the integrity of the wellbore.

Please notify the proper district office of the Division at least 48 hours prior to the date and time that the wells may be tested so the tests may be witnessed by a field inspector.

In the event that a satisfactory response is not received to this letter of direction by <u>August 1, 2004</u>, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

Sincerely,

Artesia OCD/District Office

Comply Master by Inspector Well Filter

(Compliance	Acheived	Date is

Inspector	Dt_Viol	Company	Viol_Typ	API_WellNo	SNC	Dt_CompRe Well Name and	Typ	e Stat	us	Location	Dt_Mod	Comp. Acheived
GEG												
Ma	arch 2004											
GEG0407553478	3/15/2004	MARKS AND	MI	30015029150000	N	8/2/2004 CAVE POOL UNIT	036	S	4	B 8 17	29 7/13/20)04
GEG0407553633	3/15/2004	MARKS AND	МІ	30015028970000	N	8/2/2004 CAVE POOL UNIT	027	S	4	P 5 17	29 7/13/26)04
GEG0407553709	3/15/2004	MARKS AND	MI	30015249910000	N	8/2/2004 RED TWELVE STATE	004	S .	Ą	0 5 17	29 7/13/20)04
GEG0407553819	3/15/2004	MARKS AND	MI	30015029030000	N	8/2/2004 CAVE POOL UNIT	051	1	T	L 5 17	29 7/13/20)04