



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

23-Jun-05

WISER OIL CO (THE)

PO Box 2568

Hobbs NM 88241-0000

NOTICE OF VIOLATION - Inactive Well(s)

Dear Operator:

A review of our records and recent inspection(s) indicate that the subject well(s) has been shut-in for an extended period of time. Rule 201 of the Rules and Regulation of the Oil Conservation Division provides that a well may be shut-in no longer than sixty days after suspension of drilling operations, upon determining that the well is no longer usable (e.g., a dry hole), or one year after last production. To comply with guidelines as established in the Rules and Regulations, corrective actions must be taken immediately and the well(s) brought into compliance.

The detail section below indicates preliminary findings and/or probable nature of the violation.

The following options are available:

1. Immediately restore the well(s) to production, injection or disposal as applicable.
2. Request 'Temporary Abandoned' status pursuant to Rule 203, which requires that you set a plug and conduct a mechanical integrity test.
3. Submit a proposal to 'Plug and Abandon' the well(s) pursuant to Rule 202, proceed with plugging procedures on a timely basis after the proposal has been evaluated, amended and/or approved.

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, 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.

IDLE WELL INSPECTION DETAIL SECTION

SKELLY UNIT 094	G-28-17S-31E	30-015-04884-00-00	Inspection No. iGEG0510432521
Inspection Date:	6/17/2005 1:19:58 PM	Corrective Action Due by:	9/20/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 033	M-14-17S-31E	30-015-05140-00-00	Inspection No. iGEG0510432346
Inspection Date:	6/6/2005 1:54:50 PM	Corrective Action Due by:	9/9/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Bradenhead	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired.		
SKELLY UNIT 105	F-14-17S-31E	30-015-05149-00-00	Inspection No. iGEG0510432335

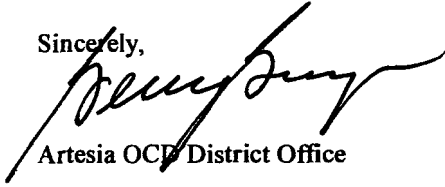
Inspection Date: 6/6/2005 9:41:06 AM		Corrective Action Due by: 9/9/2005	
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Bradenhead	Gerry Guye	Yes	No
Comments on Inspection:	Previous violation not resolved.		
SKELLY UNIT 017	B-15-17S-31E	30-015-05153-00-00	Inspection No. iGEG0510432353
Inspection Date: 6/9/2005 12:36:48 PM		Corrective Action Due by: 9/12/2005	
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 019	F-15-17S-31E	30-015-05155-00-00	Inspection No. iGEG0510432360
Inspection Date: 6/9/2005 9:59:18 AM		Corrective Action Due by: 9/12/2005	
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 028	L-15-17S-31E	30-015-05156-00-00	Inspection No. iGEG0510432374
Inspection Date: 6/9/2005 9:48:49 AM		Corrective Action Due by: 9/12/2005	
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 027	K-15-17S-31E	30-015-05159-00-00	Inspection No. iGEG0510432372
Inspection Date: 6/7/2005 11:03:13 AM		Corrective Action Due by: 9/10/2005	
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 025	I-15-17S-31E	30-015-05160-00-00	Inspection No. iGEG0510432365
Inspection Date: 6/7/2005 1:25:44 PM		Corrective Action Due by: 9/10/2005	
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 062	D-21-17S-31E	30-015-05316-00-00	Inspection No. iGEG0510432389
Inspection Date: 6/13/2005 10:45:02 AM		Corrective Action Due by: 9/16/2005	
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 075	N-21-17S-31E	30-015-05333-00-00	Inspection No. iGEG0510432409
Inspection Date: 6/13/2005 1:46:28 PM		Corrective Action Due by: 9/16/2005	
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 068	K-21-17S-31E	30-015-05338-00-00	Inspection No. iGEG0510432404
Inspection Date: 6/13/2005 12:27:02 PM		Corrective Action Due by: 9/16/2005	
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 067	J-21-17S-31E	30-015-05339-00-00	Inspection No. iGEG0510432401

Inspection Date:	6/14/2005 9:37:42 AM	Corrective Action Due by:	9/17/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Bradenhead	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 045	G-22-17S-31E	30-015-05346-00-00	Inspection No. iGEG0510432419
Inspection Date:	6/14/2005 10:46:24 AM	Corrective Action Due by:	9/17/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 057	O-22-17S-31E	30-015-05353-00-00	Inspection No. iGEG0510432429
Inspection Date:	6/16/2005 11:10:59 AM	Corrective Action Due by:	9/19/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 046	H-22-17S-31E	30-015-05357-00-00	Inspection No. iGEG0510432421
Inspection Date:	6/14/2005 10:56:48 AM	Corrective Action Due by:	9/17/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Bradenhead	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 101	E-22-17S-31E	30-015-05358-00-00	Inspection No. iGEG0510432418
Inspection Date:	6/10/2005 9:25:28 AM	Corrective Action Due by:	9/13/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 039	C-23-17S-31E	30-015-05361-00-00	Inspection No. iGEG0510432432
Inspection Date:	6/14/2005 1:20:45 PM	Corrective Action Due by:	9/17/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 080	O-23-17S-31E	30-015-05370-00-00	Inspection No. iGEG0510432446
Inspection Date:	6/15/2005 9:35:11 AM	Corrective Action Due by:	9/18/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Bradenhead	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
LEA D 001	B-26-17S-31E	30-015-05411-00-00	Inspection No. iGEG0510432489
Inspection Date:	6/15/2005 11:19:22 AM	Corrective Action Due by:	9/18/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
LEA D 003	H-26-17S-31E	30-015-05413-00-00	Inspection No. iGEG0510432497
Inspection Date:	6/15/2005 12:49:11 PM	Corrective Action Due by:	9/18/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Idle Well (Rule 201)		
LEA D 004	G-26-17S-31E	30-015-05414-00-00	Inspection No. iGEG0510432495

Inspection Date:	6/15/2005 12:38:09 PM	Corrective Action Due by:	9/18/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 082	C-26-17S-31E	30-015-05417-00-00	Inspection No. iGEG0510432490
Inspection Date:	6/15/2005 10:41:12 AM	Corrective Action Due by:	9/18/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 084	A-27-17S-31E	30-015-05423-00-00	Inspection No. iGEG0510432502
Inspection Date:	6/16/2005 1:03:59 PM	Corrective Action Due by:	9/19/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 096	W-27-17S-31E	30-015-05424-00-00	Inspection No. iGEG0510432511
Inspection Date:	6/17/2005 10:18:14 AM	Corrective Action Due by:	9/20/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 106	C-15-17S-31E	30-015-20366-00-00	Inspection No. iGEG0510432355
Inspection Date:	6/9/2005 11:42:54 AM	Corrective Action Due by:	9/12/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 107	E-27-17S-31E	30-015-20410-00-00	Inspection No. iGEG0510432509
Inspection Date:	6/17/2005 12:25:16 PM	Corrective Action Due by:	9/20/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 109	E-15-17S-31E	30-015-20468-00-00	Inspection No. iGEG0510432358
Inspection Date:	6/9/2005 11:19:30 AM	Corrective Action Due by:	9/12/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		
SKELLY UNIT 110	G-14-17S-31E	30-015-20469-00-00	Inspection No. iGEG0510432338
Inspection Date:	6/6/2005 9:37:43 AM	Corrective Action Due by:	9/9/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous violation not resolved.		
SKELLY UNIT 300	J-23-17S-31E	30-015-29452-00-00	Inspection No. iGEG0510432439
Inspection Date:	6/15/2005 8:49:53 AM	Corrective Action Due by:	9/18/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not repaired		

Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infrastructure of the oil and gas industry.

Sincerely,

A handwritten signature in black ink, appearing to read "Benjamin", is written over the word "Sincerely," and the text "Artesia OCE District Office".

Artesia OCE District Office

* Significant Non-Compliance events are reported directly to the U.S. Environmental Protection Agency, Region VI, Dallas, Texas.