

UHC New Mexico Corporation

June 14, 2006

Mr. Chris Williams
District Supervisor District 1
Oil Conservation Division
State of New Mexico
Energy and Minerals Department
1625 N. French Drive
Hobbs, NM 88240

RE: UHC New Mexico Corporation, NMOCD-OGA 05-96
Well Compliance

Dear Chris:

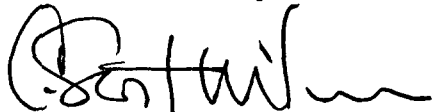
Pursuant to the Agreed Compliance Order ("ACO") in the above referenced case, attached please find the listing of wells restored to production or P & A'd in May 2006. The well schedule indicates six (6) wells have been produced or plugged and abandoned in May 2006 bringing them into compliance as requested.

Each month we will send you a duplication of the attached list which indicates what action has been taken on the wells that we have brought into compliance that month. UHC New Mexico Corporation will continue taking steps toward compliance as requested under the ACO.

Thank you for your consideration.

Very truly yours,

UHC New Mexico Corporation

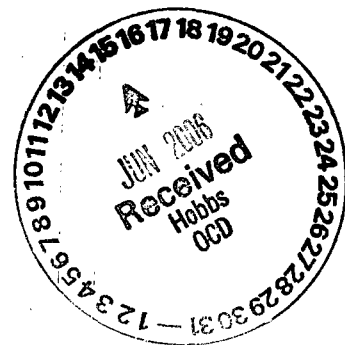


C. Scott Wilson
President & CEO

Enclosure

CC: David K. Brooks, Esq.
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UHC New Mexico Corporation

Well Compliance Schedule

Cato San Andres Unit

<u>Well Number</u>	<u>Compliance Date</u>	<u>Action</u>
4	May 2006	P & A
29	May 2006	P & A
31	May 2006	Producing
15	May 2006	P & A
67	May 2006	Producing
69	May 2006	Producing