

UHC New Mexico Corporation

October 9, 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 revised listing of wells restored to production or P & A'd in September 2006. The well schedule indicates Seven (7) wells have been produced or plugged and abandoned in September 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

Jesse K. Lawson – Petroleum Engineer

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>
109 ✓	September 2006	P & A
114 ✓	September 2006	P & A
117 ✓	September 2006	P & A
119 ✓	September 2006	P & A
128 ✓	September 2006	P & A
132	September 2006	P & A
134 ✓	September 2006	P & A