



NEW MEXICO ENERGY, MINERALS and
NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenberg
Director

Oil Conservation Division

Field Inspection Program
"Preserving the Integrity of Our Environment"

02-Dec-02

CARBON ENERGY INC
520 N SHIPP
HOBBS NM 88240-

Dear Operator:

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 standards imposed by Rules and Regulations of the Division, corrective action 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 to be made so that arrangements can be made to reinspect the well and/or facility.

INSPECTION DETAIL SECTION

AZTEC 28 STATE 003		M-28-20S-36E	30-025-04361-00-00			
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
11/20/2002	Routine/Periodic	E.L. Gonzales	Yes	No	2/23/2003	iELG0232451704
Comments on Inspection: WELL HAS BEEN S/ A LONGTIME-- NEED TO T/A , P/A OR PUT WELL BACK ON PROD. (COMPLIANCE REQUESTED BY 2-23-03)						

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.

Chris Williams

CHRIS WILLIAMS
OC DISTRICT SUPERVISOR/GENERAL MANAGER

Chris Williams, District I Supervisor

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.
*Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.

Oil Conservation Division * 1625 North French Drive * Hobbs, New Mexico 88240
Phone: (505) 393-6161 * Fax: (505) 393-0720 * <http://www.emnrd.state.nm.us>

Before the OCD
Case 13337
OCD Ex. 11