



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Carol Leach
Acting Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 16, 2002

Kersey & Co.
P.O.Box 1248
Fredericksburg, TX 78624

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED and FIRST CLASS MAIL

Re: OCD Case No. 12758
Final Order

Ladies and Gentlemen:

Please be advised that the attached order has been entered by the New Mexico Oil Conservation Division ("OCD") in the referenced case, requiring you to bring one (1) wells into compliance with OCD Rules within thirty days from January 15, 2002, and assessing a civil penalty in the amount of \$1,000 for past and current non-compliance.

Your attention is directed to Paragraph 8 on Page 7 of the attached order for directions regarding payment of this penalty.

You should be further advised that failure to comply with provisions of the order requiring you to bring your wells into compliance may result in assessment of further penalties.

Should you have any questions, please call me at (505)-476-3450.

Very truly yours,

David K. Brooks
Assistant General Counsel

cc: Chris Williams, OCD Hobbs District Office