

CHARLES B. READ  
PRESIDENT

*Read & Stevens, Inc.*

*Oil Producers  
P. O. Box 1518  
Roswell, New Mexico 88202*

October 24, 2001



Oil Conservation Division  
Attn: Tim Gum  
1301 W. Grand Avenue  
Artesia, New Mexico 88210

Dear Mr. Gum:

Per our previous phone conversations, Read & Stevens, Inc. is preparing a plan of action and associated regulatory paper work to place in compliance the wells listed as being out of compliance in the Application for Compliance Orders and Civil Penalties, Case #12733. The following is the current list of wells that have been reviewed by Read & Stevens and the proposed action:

<u>Well Name</u>	<u>Proposed Action</u>
Amoco Skeeter #1	Plug and Abandon
Buffalo Valley Com #1	Plug and Abandon
Jackson #1	Temporarily Abandon
Sulimar #1	Plug and Abandon
Sulimar #2	Plug and Abandon
Jamie Federal #3	Evaluate for SWD
West Haystack Federal #5	Evaluate for San Andres Recompletion
All wells in the Bunker Hill Waterflood Unit	Evaluating for P&A versus T&A

In the short term the Artesia office will be receiving sundry notices proposing this work. We are also pursuing discussions with our partners and obtaining AFE approval for proposed work.

If you have any questions or comments, please advise.

Sincerely,

READ & STEVENS, INC.

John C. Maxey, Jr.  
Operations Manager

JCM/sr/microsftwrd/jcmltrs/ocdtgumcomp

DEPARTMENT OF ENERGY  
OIL CONSERVATION DIVISION

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CASE NO. 12733-A