

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor

Joanna Prukop Cabinet Secretary **Acting Director** Oil Conservation Division

4/5/2004

Yates Petroleum Co 105 S 4th Artesia, NM 88210

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 in writing, of the date corrective actions are completed so that arrangements can be made to reinspect the well and/or facility.

INSPECTION DETAIL SECTION

DAYTON TOWNSITE COM #1

G-21-18-26

30-015-00215

Inspection

*Significant Non-Compliance?

No

Corrective

Date

Type Inspection

Inspector Violation? Action Due By:

MIT Witnessed -

Inspection No

03/25/2004

Gerry Guye

Yes

5/31/2004 iGEG0402042493

Comments on Inspection:

Well is out of service without notification to OCD (Rule 705).

Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infra-structure of the oil and gas industry.