

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

23-Jun-05

WISER OIL CO (THE)

PO Box 2568

Hobbs NM 88241-0000

NOTICE OF VIOLATION - Inactive Well(s)

Dear Operator:

A review of our records and recent inspection(s) indicate that the subject well(s) has been shut-in for an extended period of time. Rule 201 of the Rules and Regulation of the Oil Conservation Division provides that a well may be shut-in no longer than sixty days after suspension of drilling operations, upon determining that ther well is no longer usable (e.g., a dry hole), or one year after last production. To comply with guidelines as established in the Rules and Regulations, corrective actions must be taken immediately and the well(s) brought into compliance.

The detail section below indicates preliminary findings and/or probable nature of the violation.

The following options are available:

- 1. Immediately restore the well(s) to production, injection or disposal as applicable.
- 2. Request 'Temporary Abandoned' status pursuant to Rule 203, which requires that you set a plug and conduct a mechanical integrity test.
- 3. Submit a proposal to 'Plug and Abandon' the well(s) pursuant to Rule 202, proceed with plugging procedures on a timely basis after the proposal has been evaluated, amended and/or approved.

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

	IDLE WELL INSP.	ECTION DETAIL SECT	TION
SKELLY UNIT 094	G-28-17S-31E	30-015-04884-00-00	Inspection No. iGEG0510432521
Inspection Date: 6/17/2	005 1:19:58 PM	Согге	ctive Action Due by: 9/20/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not	repaired	
SKELLY UNIT 033	M-14-17S-31E	30-015-05140-00-00	Inspection No. iGEG0510432346
Inspection Date: 6/6/2005 1:54:50 PM		Corrective Action Due by: 9/9/2005	
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Bradenhead	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not	repaired.	
SKELLY UNIT 105	F-14-17S-31E	30-015-05149-00-00	Inspection No. iGEG0510432335

Inspection Date: 6/6/2005 9:41:06 AM Corrective Action Due by: 9/9/2005 Inspector Violation? *Significant Non-Compliance? Type Inspection Bradenhead Gerry Guye Yes No Comments on Inspection: Previous violation not resolved. SKELLY UNIT 017 B-15-17S-31E 30-015-05153-00-00 Inspection No. iGEG0510432353 **Inspection Date:** 6/9/2005 12:36:48 PM Corrective Action Due by: 9/12/2005 Type Inspection Violation? *Significant Non-Compliance? Inspector Pressure Test Gerry Guye Yes No Comments on Inspection: Previous IMIT failure - Not repaired SKELLY UNIT 019 F-15-17S-31E 30-015-05155-00-00 Inspection No. iGEG0510432360 **Inspection Date:** 6/9/2005 9:59:18 AM Corrective Action Due by: 9/12/2005 Violation? Type Inspection Inspector *Significant Non-Compliance? Pressure Test Gerry Guye Yes No Comments on Inspection: Previous IMIT failure - Not repaired **SKELLY UNIT 028** L-15-17S-31E 30-015-05156-00-00 Inspection No. iGEG0510432374 **Inspection Date:** 6/9/2005 9:48:49 AM Corrective Action Due by: 9/12/2005 Type Inspection Inspector Violation? *Significant Non-Compliance? Pressure Test Gerry Guye Yes No Comments on Inspection: Previous IMIT failure - Not repaired K-15-17S-31E **SKELLY UNIT 027** 30-015-05159-00-00 Inspection No. iGEG0510432372 Inspection Date: 6/7/2005 11:03:13 AM Corrective Action Due by: 9/10/2005 Type Inspection Inspector Violation? *Significant Non-Compliance? Pressure Test Gerry Guye Yes No Comments on Inspection: Previous IMIT failure - Not repaired **SKELLY UNIT 025** I-15-17S-31E 30-015-05160-00-00 Inspection No. iGEG0510432365 Inspection Date: 6/7/2005 1:25:44 PM Corrective Action Due by: 9/10/2005 Type Inspection Violation? Inspector *Significant Non-Compliance? Pressure Test Gerry Guye Yes No Comments on Inspection: Previous IMIT failure - Not repaired **SKELLY UNIT 062** D-21-17S-31E 30-015-05316-00-00 Inspection No. iGEG0510432389 **Inspection Date:** 6/13/2005 10:45:02 AM Corrective Action Due by: 9/16/2005 Type Inspection Inspector Violation? *Significant Non-Compliance? Pressure Test Gerry Gurye Yes No Comments on Inspection: Previous IMIT failure - Not repaired **SKELLY UNIT 075** N-21-17S-31E 30-015-05333-00-00 Inspection No. iGEG0510432409 Inspection Date: 6/13/2005 1:46:28 PM Corrective Action Due by: 9/16/2005 Type Inspection Violation? *Significant Non-Compliance? Inspector Pressure Test Gerry Guye Yes No Comments on Inspection: Previous IMIT failure - Not repaired SKELLY UNIT 068 K-21-17S-31E 30-015-05338-00-00 Inspection No. iGEG0510432404 **Inspection Date:** 6/13/2005 12:27:02 PM Corrective Action Due by: 9/16/2005 Type Inspection Inspector Violation? *Significant Non-Compliance? Pressure Test Gerry Guye Yes No Previous IMIT failure - Not repaired Comments on Inspection: **SKELLY UNIT 067** J-21-17S-31E

30-015-05339-00-00

Inspection No. iGEG0510432401

	G-26-17 S -31E	30-015-05414-00-00	Inspection No. iGEG0510432495
etion:	Gerry Guye Idle Well (Rule 201)	Yes	No
	Inspector	Violation?	*Significant Non-Conapliance?
6/15/200	5 12:49:11 PM		tive Action Due by: 9/18/2005
	H-26-17 S-3 1E	30-015-05413-00-00	Inspection No. iGEG0510432497
ction:			140
	-	· · ·	*Significant Non-Compliance? No
0/13/200			tive Action Due by: 9/18/2005
C11 E 1000			-
		<u>•</u>	Inspection No. iGEG0510432489
			No
_	Inspector	Violation?	*Significant Non-Compliance?
6/15/200	5 9:35:11 AM	Соггес	tive Action Due by: 9/18/2005
)	O-23-1 7S- 31E	30-015-05370-00-00	Inspection No. iGEG0510432446
ection:	Previous IMIT failure - Not r	repaired	<u> </u>
	Gerry Guye	Yes	No
5. 1 11 200	Inspector	Violation?	*Significant Non-Compliance?
			tive Action Due by: 9/17/2005
)	C-23-17 S-3 1E	30-015-05361-00-00	Inspection No. iGEG0510432432
ection:			J.YU
	-	· =	"Significant Non-Companies:
0/10/200			tive Action Due by: 9/13/2005 *Significant Non-Cosmpliance?
			Inspection No. iGEG0510432418
			No
	Inspector	Violation?	*Significant Non-Compliance?
6/14/200	5 10:56:48 AM	Согте	ctive Action Due by: 9/1 7/209 5
6	H-22-1 7S- 31E	30-015-05357-00-00	Inspection No. iGEG0510432421
ection:			
	Gerry Guye	Yes	No
	Inspector	Violation?	*Significant Non-Compliance?
6/16/200)5 11:10:59 AM	Corre	ctive Action Due by: 9/19/2005
7	O-22-178-31E	30-015-05353-00-00	Inspection No. iGEG0510432429
ection:			140
	-	, 10.11112_1	*Significant Non-Compliance? No
6/14/200			ctive Action Due by: 9/17/2005
			Inspection No. iGEG0510432419
ead	Gerry Guye	Yes	No
	Inspector	Violation?	*Significant Non-Compliance?
	nspection Date: 6/14/2005 9:37:42 AM		
	ection: 5 6/14/200 ection: 7 6/16/200 ection: 6 6/14/200 ection: 0 6/15/200 ection: 6/15/200 ection:	ead Gerry Guye Previous IMIT failure - Not G-22-17S-31E 6/14/2005 10:46:24 AM Inspector Gerry Guye Previous IMIT failure - Not O-22-17S-31E 6/16/2005 11:10:59 AM Inspector Gerry Guye Previous IMIT failure - Not Gerry Guye Previous IMIT failure - Not A H-22-17S-31E 6/14/2005 10:56:48 AM Inspector Gerry Guye Previous IMIT failure - Not E-22-17S-31E 6/10/2005 9:25:28 AM Inspector Gerry Guye Previous IMIT failure - Not O-23-17S-31E 6/14/2005 1:20:45 PM Inspector Gerry Guye Previous IMIT failure - Not O-23-17S-31E 6/15/2005 9:35:11 AM Inspector Gerry Guye Previous IMIT failure - Not of Add Gerry Guye Previous IMIT failure - Not of D-23-17S-31E 6/15/2005 11:19:22 AM Inspector Gerry Guye Previous IMIT failure - Not of H-26-17S-31E 6/15/2005 12:49:11 PM Inspector Gerry Guye Previous IMIT failure - Not of H-26-17S-31E 6/15/2005 12:49:11 PM Inspector Gerry Guye etion: Previous IMIT failure - Not of H-26-17S-31E	ead Gerry Guye Yes ection: Previous IMIT failure - Not repaired 5 G-22-17S-31E 30-015-05346-00-00 6/14/2005 10:46:24 AM Corre

Inspection Date: 6/15/2	005 12:38:09 PM	Corre	ective Action Due by: 9/18/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No .
Comments on Inspection:	Previous IMIT failure - Not	repaired	- 10
SKELLY UNIT 082	C-26-17S-31E	30-015-05417-00-00	Inspection No. iGEG0510432490
Inspection Date: 6/15/2	005 10:41:12 AM	Corrective Action Due by: 9/18/2005	
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not	repaired	
SKELLY UNIT 084	A-27-17S-31E	30-015-05423-00-00	Inspection No. iGEG0510432502
Inspection Date: 6/16/20	005 1:03:59 PM	Corre	ective Action Due by: 9/19/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not	repaired	
SKELLY UNIT 096	W-27-17S-31E	30-015-05424-00-00	Inspection No. iGEG0510432511
Inspection Date: 6/17/20	005 10:18:14 AM	Corre	ctive Action Due by: 9/20/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not	repaired	
SKELLY UNIT 106	C-15-17S-31E	30-015-20366-00-00	Inspection No. iGEG0510432355
Inspection Date: 6/9/200	5 11:42:54 AM	Corre	ctive Action Due by: 9/12/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not	repaired	
SKELLY UNIT 107	E-27-17S-31E	30-015-20410-00-00	Inspection No. iGEG0510432509
Inspection Date: 6/17/20	05 12:25:16 PM	Correc	tive Action Due by: 9/20/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not a	repaired	
SKELLY UNIT 109	E-15-178-31E	30-015-20468-00-0 0	Inspection No. iGEG0510432358
Inspection Date: 6/9/200	5 11:19:30 AM	Correc	tive Action Due by: 9/12/2905
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not r	epaired	
SKELLY UNIT 110	G-14-17 S- 31E	30-015-20469-00-00	Inspection No. iGEG0510432338
Inspection Date: 6/6/2005	5 9:37:43 AM	Correc	tive Action Due by: 9/9/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous violation not resolve	ed.	
SKELLY UNIT 300	J-23-178-31E	30-015-29452-00-00	Inspection No. iGEG0510432439
Inspection Date: 6/15/200)5 8:49:53 AM	Correc	tive Action Due by: 9/18/2005
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Pressure Test	Gerry Guye	Yes	No
Comments on Inspection:	Previous IMIT failure - Not re	epaired	

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.

Sincerely,

Artesia OCD District Office

* Significant Non-Compliance events are reported directly to the U.S. Environmental Protection Agency, Region VI, Dallas, Texas.