



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

*File
Copy*

11 March 2002

Yates Petroleum Corp.
105 S. 4th Street
Artesia, New Mexico 88210

RE: Latham State # 2 P-25-10-26 API 30-005-62252 Violation of Rule 201:
Wells to be properly abandoned.

Dear Sirs:

This second directive is to notify you that this well is still in violation of Rule 201.

On 27 November, 2001 a letter was sent notifying you on the violation of Rule 201. The original date of compliance was 12-17-2001. This was extended due to the filing of a C-103 intent to P&A the well. An inspection of the files on 11 March, 2002 found no action has been taken.

To bring the well into compliance you must properly:

1. Put the well into production.
2. T.A. the well.
3. P.A. the well.

This well must be brought into compliance on or before 31 March, 2002.

Failure to bring this well into compliance by the date stated will cause further enforcement. Such enforcement can be an order to Show Cause why the bond should not be forfeited, the well plugged and civil penalties assessed.

Sincerely,

Van Barton
Field Rep. II