NEW MEXICO ENERGY, MINLRALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

Field Inspection Program
"Preserving the Integrity of Our Environment"

29-Oct-02

C F M OIL CO PO BOX 1176 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 of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

Please be advised that failure to comply with this directive will result in an application for an order to Show Cause why the Bond should not be forfeited, the well plugged and civil penalties assessed

INSPECTION DETAIL SECTION

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GILLESPIE Inspection	E STATE 005		A-27-17S-28E	30-015-01588-00-00 *Significant	Corrective	
Date	Type Inspection	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
10/28/2002	Routine/Periodic	Mike Bratcher	Yes	No	11/29/2002	iMLB0230153934
Comments on Inspection: Well sign does not list correct operator. Violation Rule 103.						
GILLESPIE Inspection	E STATE 015		B-27-17S-28E	30-015-01589-00-00 *Significant	Corrective	
Date	Type Inspection	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
10/28/2002	Routine/Periodic	Mike Bratcher	Yes	No	11/29/2002	iMLB0230154277
Comments on Inspection: Well sign is illegible and does not list current operator. Violation Rule 103.						
GILLESPIE STATE 012 Inspection			A-27-17S-28E	30-015-22616-00-00 *Significant	Corrective	
Date	Type Inspection	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
10/28/2002	Routine/Periodic	Mike Bratcher	Yes	No	11/29/2002	iMLB0230153035
Comments on Inspection: Well sign is illegible and does not list correct operator. Violation Rule 103						