

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor Betty Rivera Cabinet Secretary Lori Wrotenbery Director Oil Conservation Division

1/23/02

Remuda Operating Co. 301 N. Colorado, Suite 150 Midland, Texas 79701

RE: Pan American 13 State # 1 Southern Union State # 1 A-13-16-31 J-13-16-31 30-015-10527 30-015-10889

Dear Sirs:

The wells above are in violation of Rule 202.B.3. An inspection on 7-31-02 found the following:Pan American 13 State # 1A-13-16-3130-015-10527

- 1. Marker is not set in concrete
- 2. Location not leveled
- 3. Lines, vessel, well head and misc. junk on location.
- 4. Pits not leveled

Southern Union State # 1 J-13-16-31 30-015-10889

- 1 Marker not set in concrete
- 2 Lines, well head, tank, and misc. junk on location

Please clean the locations, fill out the form sent, and return on or before

In the event that a satisfactory response is not received to this letter of direction by 15 August.

2002. 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.

Sincerely,

Van Barton Field Rep. II

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