



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

December 23, 2002

Read & Stevens Inc
PO Box 1518
Roswell, NM 88201

RE: Wells on Attached List

Violation of Rule 201:

Dear Sirs:

This second directive is to notify you that this well is still in violation of the rule listed above.

On Aug 29, 2002 a letter was sent notifying you on the violation. An inspection on Dec 18, 2002 found no action had been taken to bring the well into compliance.

Rule 201 of the New Mexico Oil Conservation Division provides as follows:

201.A. The operator of any well drilled for oil, gas or injection; for seismic, core or other exploration, or for a service well, whether cased or uncased, shall be responsible for the plugging thereof.

[7-12-90...2-1-96]

201.B. A well shall be either properly plugged and abandoned or temporarily abandoned in accordance with these rules within ninety (90) days after:

- (1) A sixty (60) day period following suspension of drilling operations, or
- (2) A determination that a well is no longer usable for beneficial purposes, or
- (3) A period of one (1) year in which a well has been continuously inactive.

[7-12-90...2-1-96]

In the event that a satisfactory response is not received to this letter of direction by Jan 24, 2003, 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.

Respectfully,

Gerry Guye
Compliance Officer
District II - Artesia