



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

*File
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25 March 2002

Oxy USA WTP Limited Partnership
P.O. Box 4294
Houston, Texas 77210-4294

RE: Oxy Livan Federal Com # 1 B-17-17-27 API 30-015-29992 Violation of Rule 103:
Well identification.
Oxy Wallace State Com # 2 J-9-17-27 API 30-015-30139 Violation of Rule 201
and Rule 103:
Well needs to be properly abandoned. Well identification.

Dear Sirs:

This second directive is to notify you that these wells are still in violation of Rule 201 and/or Rule 103.

On 15 February, 2002 a letter was sent notifying you on the violation of Rule 201 and 103. An inspection of the wells on 18 March, 2002 found no action has been taken.

These wells must be brought into compliance on or before 15 April, 2002.

To comply with rule 201 you have 3 options:

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

Failure to bring these wells 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