



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

P.O. DRAWER DD
ARTESIA, NEW MEXICO 88211
(505) 748-1283

BRUCE KING
GOVERNOR

September 27, 1994

LBO New Mexico, Inc.
C/O Mark Hope
Hope Enterprises
Artesia, New Mexico

Re: G-J Unit Tract 14 Well No. 1
Unit D, Section 36, T-17S, R-30E
NMPM, Eddy County, New Mexico

Dear Mr. Hope:

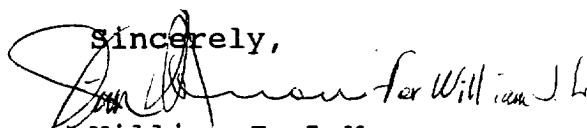
It has recently come to the attention of the Division that the G-J Unit Tract 14 Well No. 1 is currently operating as a salt water disposal well without an injection permit. Please be advised that operation of this well without a permit is in violation of Division Rule No. 701(A), as well as Federal Rules and Regulations regarding the Underground Injection Control Program, as administered by the Environmental Protection Agency.

You are hereby ordered to shut-in the G-J Unit Tract 14 Well No. 1 until such time as the well is issued a permit to inject by the Division.

Failure to comply with this shut-in notice may subject LBO New Mexico, Inc. to Division or EPA fines or other penalties.

The Division is currently evaluating the possibility of imposing a fine for the time period that the well has been in operation. We will advise LBO New Mexico, Inc., of the status of such deliberations.

Sincerely,


William J. LeMay
Division Director

xc: OCD-Artesia
Mr. David Abshire, EPA Region VI, Dallas
UIC Compliance File