



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

File Copy

19 April 2002

Mack Energy Corp.
P.O. Box 960
Artesia, New Mexico 88211-0960

RE: Blue Streak Federal # 1 I-29-17-29 API 30-015-30543 Violation of Rule 201:
Well identification

Dear Sirs:

This second directive is to notify you that this well is still in violation of Rule 201.

On 7 March, 2002 a letter was sent notifying you on the violation of Rule 201. Our record indicate that the well was put in T.A. Status for one year on 9-5-2000. It appears that there has not any action after the 9-5-2000 date.

This well must be brought into compliance on or before 10 May, 2002.

To bring the well into compliance you have 3 options:

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

In the event that a satisfactory response is not received to this letter of direction by 10 May, 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