



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

File Copy

18 March 2002

Chi Operating Inc.
212 North Main
Midland, Texas 79701

RE: Ralph Nix # 1

J-29-18-26 API 30-015-00256

Violation of Rule 202.B.3:
Plug and Abandonment

Dear Sirs:

This second directive is to notify you that this well is still in violation of Rule 202.B.3

An inspection on 2-11-02 found the location not in compliance. A letter was sent on 22 February 2002 notifying you on the violation of Rule 202.B.3. An inspection of the well file on 18 March 2002 found no response to the letter.

This well must be brought into compliance on or before 2 April 2002.

Failure to bring this well 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