NEW MEXICO ENERGY, MINERALS NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor

Betty Rivera Cabinet Secretary

Lori Wrotenbery Director Oil Conservation Division

Field Inspection Program Preserving the Integrity of Our Environment"

10-Oct-02

SANDLOTT ENERGY (JACKIE BREWER DBA)

PO BOX 711 LOVINGTON NM 88260-

Dear Operator:

The following inspection(s) indicate one or more violations as described in the detail section below. The inspection(s) indicates that the well, equipment, location or operational status failed to meet standards of the New Mexico Oil Conservation Division. To comply with standards imposed by Rules and Regulations of the Division, corrective action st be taken immediately and the situation brought into compliance. The detail section below indicates preliminary rights and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an pector employed by the Oil Conservation Division.

Please notify the proper district office of the Division of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

Please be advised that failure to comply with this directive will result in an application for an order to Show Cause why the Bond should not be forfeited, the well plugged and civil penalties assessed.

INSPECTION DETAIL SECTION

THOMAS STATE 002 Inspection

Date **Type Inspection**

10/08/2002 Routine/Periodic

Comments on Inspection:

Mike Bratcher

Mike Bratcher

Inspector

Inspector

Violation?

A-9-18S-28E

Yes

Violation?

Yes

*Significant

Non-Compliance? No

30-015-25371-00-00

Corrective

Action Due By: 11/11/2002

Inspection No. iMLB0228157989

No well sign. Violation Rule 103.

HUMBLE THOMAS STATE 002

Type Inspection

Routine/Periodic

B-9-18S-28E

30-015-25372-00-00

*Significant Non-Compliance? No

Corrective Action Due By: 11/11/2002

Inspection No. iMLB0228143101

Comments on Inspection:

Inspection

Date

10/08/2002

Well sign is not mounted. Violation Rule 103.

11/12/02 OK