



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

1/2/2002

Yates Petroleum Corp
105 S. 4th
Artesia, NM 88210

Dear Sir:

On November 20, 2001 we sent you a letter regarding the **Compromise SWD #1 (30-015-25665)** requesting shut-in this well pending repair of the failed Mechanical Integrity Test conducted June 12, 2001 and that repairs on this well be concluded prior to December 31, 2001.

As of this date no information has been received by this office indicating intent to complete the necessary repairs.

To avoid further action it is requested that a Form C-103 (Sundry Notice) be prepared and forwarded to this office prior to **January 11, 2002** indicating the action you plan to take to bring this well into compliance. Upon approval of the Form C-103 the necessary repairs must be completed within 90 days.

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.

Respectfully,

Gerry Guye
Compliance Officer

this is second letter

Van's Copy