



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenberg

Director

Oil Conservation Division

10/24/2002

NOTICE OF DIRECTION

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

Dear Operator:

On July 16, 2002 a letter was sent to your office indicating the following wells were out of compliance with NMOC Rules. The letter requested you furnish this office with information concerning the future status of the wells.

- North Millman Ut #3 K-8-19-28 30-015-23838 Violation Rule 201

Since we have received no reply from your office on this matter, we now inform you that this well must be in compliance on or before December 2, 2002.

If these wells are not in physical compliance by the due date above 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 these wells. Such a hearing may result in imposition of **CIVIL PENALTIES** for your violation of DCD rules.

Respectfully,

Gerry Guye
Compliance Officer
District II - Artesia