NEW MEXICO ENERGY, MINERALS NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor Joanna Prukop Cabinet Secretary

Lori Wrotenbery Director Oil Conservation Division

11-Feb-03

RAY WESTALL

NOTICE OF VIOLATION

PO BOX 4 LOCO HILLS NM 88255-

Dear Operator:

A review of our records and recent inspection(s) indicate that the subject well(s) has been shut-in for an extended period of time. Rule 201 of the Rules and Regulation of the Oil Coservation Divison provides that a well may be shut-in no longer than sixty days after suspension of drilling operations, upon determining that ther well is no longer usable (e.g., a dry hole), or one year after last production. To comply with guidelines as established in the Rules and Regulations, corrective actions must be taken immediately and the well(s) brought into compliance.

The detail section below indicates preliminary findings and/or probable nature of the violation

The following options are available:

- 1. Immediately restore the well(s) to production, injection or disposal as applicable.
- 2. Request 'Temporary Abandoned' status pursuant to Rule 203, which requires that you set a plug and conduct a mechanical integrity test.
- 3. Submit a proposal to 'Plug and Abandon' the well(s) pursuant to Rule 202, proceed with plugging procedures on a timely basis after the proposal has been evaluated, amended and/or approved.

To avoid further action, we request that you exercise one of the above options no later than the "Corrective Action" due date indicated below.

Please be advised that this Notice of Violation may be followed by an application for an order to Show Cause why the bond should not be forfeited, the well pluggedand civil pentalties assessed. Please notify this office at least 24 hours prior to any repair and/or plugging, subsequent mechanical integrity test, or to request TA status for the well(s).

IDLE WELL INSPECTION DETAIL SECTION

MYRTLE MYRA 011

I-9-21S-27E

30-015-28055-00-0

Inspection No. iMLB0304136098

Inspection Date:

2/10/2003 10:01:21 AM

Corrective Action Due by: 05/15/03 Violation?

*Significant Non-Compliance?

Type Inspection Routine/Periodic Inspector

Yes

No

Mike Bratcher

Comments on Inspection:

No flowline or production equipment. No well sign. Open workover pit. This well is approx 100 ft north of Myrtle Myra #7. Records indicate this well was never drilled. PHOTOS Well is not producing and is

in violation of Rule 201.

