



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Farmington Field Office  
1235 La Plata Highway, Suite A  
Farmington, New Mexico 87401



IN REPLY REFER TO:  
NM -010063 et al. (wc)  
3162.3-2 (07100)

August 2, 2004

Roddy Production Company, Inc.  
Attn: Robert Griffee  
P.O. 2221  
Farmington, NM 87499

Dear Mr. Griffee:



Reference is made to the following wells on Federal oil and gas leases NM-010063 and NM-020496:

- 1) No. Lucerne Federal 6, located 1815' FSL and 1500' FWL, Sec. 21, T. 28 N., R.11 W., *30-045-29282*  
San Juan County, New Mexico.
- 2) No. Lucerne Federal 7, located 790' FSL and 2050' FWL, Sec. 21, T. 28 N., R. 11 W., *30-045-29405*  
San Juan County, New Mexico.
- 3) No. Yockey 1, located 1190' FSL and 1190' FEL, Sec. 20, T. 27 N., R. 11 W., *30-045-06350*  
San Juan County, New Mexico.

We received your Subsequent Report on June 29, 2004, for the Lucerne Federal No. 6, outlining your procedures used in squeezing off the Fruitland Sand and re-completing the Fruitland Coal. The Fruitland Coal and Pictured Cliffs would be commingled. We received your Subsequent Report on July 1, 2004, Lucerne Federal No. 7, outlining your procedures used in re-completing the Fruitland Coal. The Fruitland Coal and Pictured Cliffs would be commingled. We received your Subsequent Report on July 29, 2004, Yockey No. 1, outlining your procedures used to repair the casing wall in this well bore. This office has no record of prior approval, written or verbal, to perform any of the above operations.

In view of the foregoing, you are in violation of 43 CFR 3162.3-2, Subsequent Well Operations, which requires prior approval before commencing the work you performed on these wells. However this is considered a minor violation, this will serve as notice that if violations of this sort occur in the future, you will be subject to a monetary assessment.

Under provisions of 43 CFR 3163.3, you may request an Administrative Review of the assessment described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P.O. Box 27115, Santa Fe, New Mexico 87502-0115. Such request shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals form instructions, orders or decisions are contained in 43 CFR 3154, 4 and 43 CFR 4.400 et seq.

If you have any questions regarding the above contact Matt Halbert @ (505) 599-6350 or undersigned @ (505) 599-6357.

Sincerely,

/s/ Jim Lovato

Jim Lovato  
Senior Technical Advisor  
Petroleum Management Team

cc:

NMOCD, Aztec, NM.

Bcc:

Well files (3)

DOMR                      suspense (M Halbert)

07100: M Halbert: 8/2/04x5350: Roddy Production Co – Lucerne Federal 6, Lucerne Federal 7, Yockey 1.