

UHC New Mexico Corporation

November 9, 2006

Mr. Chris Williams
District Supervisor District 1
Oil Conservation Division
State of New Mexico
Energy and Minerals Department
1625 N. French Drive
Hobbs, NM 88240



RE: UHC New Mexico Corporation, NMOCD-OGA 05-96 Well Compliance

Dear Chris:

Pursuant to the Agreed Compliance Order ("ACO") in the above referenced case, attached please find the revised listing of wells restored to production or P & A'd in October 2006. The well schedule indicates Seven (7) wells have been produced or plugged and abandoned in October 2006 bringing them into compliance as requested.

Each month we will send you a duplication of the attached list which indicates what action has been taken on the wells that we have brought into compliance that month. UHC New Mexico Corporation will continue taking steps toward compliance as requested under the ACO.

Thank you for your consideration.

Very truly yours,

UHC New Mexico Corporation

A handwritten signature in cursive script that reads "Jesse K. Lawson".

Jesse K. Lawson – Petroleum Engineer

Enclosure

CC: David K. Brooks, Esq.
Assistant General Counsel
Energy, Minerals and Natural Resources Department
1220 S. St. Francis Dr.
Santa Fe, NM 87505

Gary W. Larson, Esq.
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218 Montezuma
Santa Fe, NM 87501



UHC New Mexico Corporation

Well Compliance Schedule

Cato San Andres Unit

<u>Well Number</u>	<u>Compliance Date</u>	<u>Action</u>
61	October 2006	P & A
62	October 2006	P & A
113	October 2006	Producing
131	October 2006	Producing
136	October 2006	Producing
142	October 2006	Producing
144	October 2006	Producing

