

UNITED BANK PLAZA  
400 N. PENN, SUITE 1000

CHARLES B. READ  
PRESIDENT

PHONE 505 622-3770  
FAX 505 622-8643

*Read & Stevens, Inc.*

*Oil Producers*

*P. O. Box 1518*

*Roswell, New Mexico 88202*

November 1, 2005

Oil Conservation Division  
Attn: Gerry Guye  
1301 W. Grand  
Artesia, NM 88210

RECEIVED

NOV 03 2005

JULY 11 1994

RE: Notice of Violation  
Bandit State SWD #1

30-015-21071

Ladies & Gentlemen:

Read & Stevens has received your letter dated October 31, 2005 concerning disposing of water in the subject well at an injection pressure of 780 psi. Please be advised that in order to correct the situation on the existing well, three things will be done.

1. A surfactant will be added to the produced water disposal stream to reduce surface tension in an attempt to lower injection pressure.
2. The injection pump will be crippled so that it can run at a slower rate for a longer period of time.
3. A pressure limiting device will be installed at the wellhead to shut the injection pump off when a predetermined pressure is reached.

The Artesia OCD office will be notified at least 48 hrs prior to the date and time that the well will be placed back on injection with the aforementioned corrective actions. If you have any questions, please advise.

Sincerely,

READ & STEVENS, INC.

  
John C. Maxey, Jr.  
Operations Manager

Accepted for record - NMOCD

JCM/sr/jcmltrs/ocdbanditstswd#1  
xc: Will Palmer  
Well File

Violation on 10-19-05  
Compliance due 1-22-06