



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

February 10, 2006

Morexco, Inc.  
P.O. Box 1591  
Roswell, NM 88202  
Attn: Mr. Donald G. Becker, Jr.

**RE: Morexco, Inc.: Pardue Farms '29' # 1, located in Unit B, of Section 29, Township 24 South, Range 28 East, Eddy County, New Mexico. API # 30-015-33537**

Dear Mr. Becker,

In regards to the above noted well, this well is to be shut in today (2/09/2006 if producing). In addition, please submit the requested information that I had asked for back last year on 12/2/2005. The following is needed in order to be in compliance with a number of New Mexico Oil Conservation Division (NMOCD) rules and regulations: **All information is to be submitted by: 2/17/2006.**

- All subsequent reports (Form C103s) after spudding well.
- Completion report (Form C-105).
- Notarized well deviation report.
- Complete set of electric logs ran on well
- Any other regulatory reports which you may have failed to submit to the NMOCD
- Completion report (Form C-104, if applicable)
- If this well is not producing, please provide supporting reasons as to why you have not complied with other NMOCD rules such as NMOCD Rule 202.

For your information so that you can review to be better informed about this matter and in the future, please refer to the following rules which are on our web-site that I find that this well is in non-compliance with:

NMOCD Rules: 19.15.3.111, 1103, 19.15.13.1104 (if applicable), 1105.A, 19.15.4.202 &/or 19.15.4.203 (If applicable). Our web site for referral is: <http://www.emnrd.state.nm.us/ocd>

Finally, if this matter is not satisfactorily resolved in the time set out above we may assess penalties against you for each violation of OCD Rules, in accordance with NMSA 1978, Section 70-2-31(A). Section 70-2-31(A) authorizes penalties of up to \$ 1,000 per day per violation for any knowing and willful violation of any provision of the Oil and Gas Act or any rule adopted pursuant to the Act. Alternatively or in addition to the penalties the OCD may seek other remedies deemed appropriate for the situation.

Yours truly,

Bryan Arrant

PES

505-748-1283.103

cc: Tim Gum- District Supervisor, Artesia  
Daniel Sanchez-Enforcement & Compliance Manager-Santa Fe