



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

8/17/01

Ocean Energy
1001 Fannin Suite 1600
Houston, Texas 77002

Dear Sirs:

A segregation and/or packer leakage test is to be filed with this office annually. Please test the subject well(s) and send the results no later than 15 October, 2003.

Please notify this office 72 hours prior to the test in order that our representative may be present to witness the test.

SOUTHEAST NEW MEXICO PACKER LEAKAGE TEST forms should be submitted in triplicate. Please send the original and two copies of the test chart.

If you no longer operate the well(s) listed, have received a down hole commingle permit, or abandoned one zone please contact me at 505-748-1283.

| Well | LOCATION | API # |
|-----------------------------|--------------|--------------|
| LITTLEFIELD EM FEDERAL #001 | J-20-18S-31E | 30-015-21996 |
| PARKWAY WEST UNIT #012 | E-21-19S-29E | 30-015-31295 |
| BURTON FLAT DEEP UNIT #004 | N-34-20S-28E | 30-015-20835 |
| BURTON FLAT DEEP UNIT #003 | N-03-21S-27E | 30-015-20799 |

In the event that a satisfactory response is not received to this letter 15 October, 2003, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of **CIVIL PENALTIES** for your violation of OCD rules.

Sincerely,

Van Barton
Field Rep. II