THUNDERBOLT PETROLEUM

P.O. BOX 10523 MIDLAND, TX 79702 PHONE (432) 682-1251

November 29, 2004

RECEIVED

NOV 3 0 2004

Oil Conservation Division 1301 W. Grand Artesia, NM 88210

ATTN: Mr. Phil Hawkins

Dear Mr. Hawkins:

This letter is to inform you a well sign has been put up on the Calmon #2 well which you had found to be missing on your inspection on 10/25/04. If you need anything else, please do not hesitate to call.

Sincerely,

Robert Lee



NEW MEXICO ENERGY, MINERALS NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor Joanna Prukop Cabinet Secretary

Mark E. Fesmire, P.E. Director Oil Conservation Division

Field Inspection Program "Preserving the Integrity of Our Environment"

27-Oct-04

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THUNDERBOLT PETROLEUM, LLC

PO BOX 10523

OCD-AHIESIA

MIDLAND TX 79702

NOTICE OF VIOLATION - Inspection

Dear Operator:

The following inspection(s) indicate that the well, equipment, location or operational status of the well(s) failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date(s) indicated.

Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

INSPECTION DETAIL SECTION

CAL-MON No.002 L-16-18S-29E 30-015-25693-00-00 Inspection *Significant

Type Inspection Date 10/25/2004 Routine/Periodic Inspector Phil Hawkins Violation? Yes

Non-Compliance? No

Corrective Action Due By:

11/30/2004

Inspection No. iPCH0429943731

Comments on Inspection:

No Well Sign (Rule 103).

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Divison 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

Artesia OCD District Office

c/osed 12/2/04

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data. *Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.