

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"

RECEIVED

10-May-05

MAY 1 9 2005

DOD-MOTEOW

HANSON ENERGY PO BOX 1348

ARTESIA NM 88210

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

WEST ARTESIA GRAYBURG UNIT No.005

F-8-18S-28E

30-015-02647-00-00

Inspection 05/09/2005

Date

Type Inspection Routine/Periodic Inspector

*Significant Violation? Non-Compliance? Corrective

Inspection No. Action Due By:

Mike Bratcher

Yes No 6/9/2005

Violations

iMLB0512948071

Absent Well Identification Signs (Rule 103)

Comments on Inspection:

Well sign does not list operator of record. Violation Rule 103.

WEST ARTESIA GRAYBURG UNIT No.026

F-8-18S-28E *Significant 30-015-23784-00-00

Inspection Date

Type Inspection

Inspector

Violation?

Non-Compliance?

Corrective Action Due By:

05/09/2005

Routine/Periodic

Mike Bratcher

Yes

No

6/9/2005

Inspection No.

iMLB0512948334

Violations

Absent Well Identification Signs (Rule 103)

Comments on Inspection:

Well sign does not list operator. Violation Rule 103.

Corrective action was taken May 14,05.