

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director

Oil Conservation Division

17-Jul-03

UNITED OIL & MINERALS LIMITED PARTNERSHIP

1001 WESTBANK DR AUSTIN TX 78746-0000

NOTICE OF VIOLATION - Inactive Well(s)

Dear Operator:

A review of our records and recent inspection(s) indicate that the subject well(s) has been shut-in for an extended period of time. Rule 201 of the Rules and Regulation of the Oil Conservation Division provides that a well may be shut-in no longer than sixty days after suspension of drilling operations, upon determining that ther well is no longer usable (e.g., a dry hole), or one year after last production. To comply with guidelines as established in the Rules and Regulations, corrective actions must be taken immediately and the well(s) brought into compliance.

The detail section below indicates preliminary findings and/or probable nature of the violation.

The following options are available:

- 1. Immediately restore the well(s) to production, injection or disposal as applicable.
- 2. Request 'Temporary Abandoned' status pursuant to Rule 203, which requires that you set a plug and conduct a mechanical integrity test.
- 3. Submit a proposal to 'Plug and Abandon' the well(s) pursuant to Rule 202, proceed with plugging procedures on a timely basis after the proposal has been evaluated, amended and/or approved.

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 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.

IDLE WELL INSPECTION DETAIL SECTION

NORTH BENSON QUEEN UNIT N

N-27-18S-30E

30-015-04551-00-00

30-015-04562-00-00

Inspection No. iGEG0314347017

021

Inspection Date:

7/16/2003 9:15:29 AM

Corrective Action Due by: 8/18/2003

Type Inspection

Inspector

Violation? *Significant Non-Compliance?

MIT Witnessed - Bradenhead

Gerry Guve

Yes No

Comments on Inspection:

Violation of Rule 201 (Idle Well)

NIT F-34-18S-30E 30

Inspection No. iGEG0314347137

039

Inspection Date:

7/16/2003 9:10:58 AM

Corrective Action Due by: 8/18/2003

Type Inspection

Inspector

Violation? *Significant Non-Compliance?

MIT Witnessed - Bradenhead

NORTH BENSON QUEEN UNIT

Gerry Guye

Yes

No

Comments on Inspection:

Violation of Rule 201 (Idle Well).

Oil Conservation Division * 1301 W. Grand * Artesia, New Mexico 88210 Phone: 505-748-1283 * Fax: 505-748-9720 * http://www.emnrd.state.nm.us

Inspection No. iGEG0314347130 NORTH BENSON QUEEN UNIT B-34-18S-30E 30-015-04566-00-00 037 Corrective Action Due by: 8/18/2003 **Inspection Date:** 7/16/2003 9:04:24 AM Violation? *Significant Non-Compliance? Type Inspection Inspector Yes No MIT Witnessed - Bradenhead Gerry Guye Comments on Inspection: Violation of Rule 201 (Idle Well). Inspection No. iGEG0314347021 NORTH BENSON QUEEN UNIT F-28-18S-30E 30-015-10101-00-00 009 Corrective Action Due by: 8/18/2003 Inspection Date: 7/16/2003 9:58:55 AM Violation? *Significant Non-Compliance? Type Inspection Inspector MIT Witnessed - Bradenhead Gerry Guve Yes No Comments on Inspection: Violation of Rule 201 (Idle Well). NORTH BENSON QUEEN UNIT Inspection No. iGEG0314347115 P-29-18S-30E 30-015-10154-00-00 027 Corrective Action Due by: 8/18/2003 **Inspection Date:** 7/16/2003 10:31:50 AM Type Inspection Inspector Violation? *Significant Non-Compliance? MIT Witnessed - Bradenhead Gerry Guye Yes No Comments on Inspection: Violation of Rule 201 (Idle Well). NORTH BENSON QUEEN UNIT Inspection No. iGEG0314347106 P-28-18S-30E 30-015-10193-00-00 023 Corrective Action Due by: 8/18/2003 Inspection Date: 7/16/2003 9:27:14 AM Type Inspection Inspector Violation? *Significant Non-Compliance? Yes MIT Witnessed - Bradenhead Gerry Guye No Comments on Inspection: Violation of Rule 201 (Idle Well). B-33-18S-30E < 30-015-10229-00-00 Inspection No. iGEG0314347124 NORTH BENSON QUEEN UNIT 033 Corrective Action Due by: 8/18/2003 Inspection Date: 7/16/2003 8:57:04 AM Violation? *Significant Non-Compliance? Type Inspection Inspector MIT Witnessed - Bradenhead Gerry Guye Yes No Comments on Inspection: Violation of Rule 201 (Idle Well). NORTH BENSON QUEEN UNIT J-29-18S-30E 30-015-10389-00-00 Inspection No. iGEG0314347112 012 Inspection Date: 7/16/2003 10:04:09 AM Corrective Action Due by: 8/18/2003 Type Inspection Inspector Violation? *Significant Non-Compliance? MIT Witnessed - Bradenhead Gerry Guye Yes No Comments on Inspection: Violation of Rule 201 (Idle Well). NORTH BENSON OUEEN UNIT F-32-18S-30E 30-015-10906-00-00 Inspection No. iGEG0314347121 042 Inspection Date: 7/16/2003 10:39:41 AM Corrective Action Due by: 8/18/2003 Type Inspection Inspector Violation? *Significant Non-Compliance?

Gerry Guye

Violation of Rule 201 (Idle Well).

Yes

No

MIT Witnessed - Bradenhead

Comments on Inspection:

structure of the oil and gas industry.

Sincerely,

Artesia OCD District Office

* Significant Non-Compliance events are reported directly to the U.S. Environmental Protection Agency, Region VI, Dallas, Texas.