



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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Oil Conservation Division

15-Aug-03

PENROC OIL CORP

PO BOX 2769

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NOTICE OF VIOLATION Delinquent Regulatory Filings

Dear Operator:

A review of our records indicate that filing of sufficient or correct regulatory reports are delinquent with respect to the following well(s) as described in the detail section below. This is a violation of Oil Conservation Division Rule 19.15.1.16. To comply with standards imposed by Division Rules and Regulations, corrective action must be taken by the "Corrective Action Due By:" date indicated below and the well(s) brought into compliance. The detail section below indicates preliminary findings and/or the probable nature of the violation.

NON-COMPLIANT WELL DETAIL SECTION

WEST HENSHAW PREMIER UNIT No.003

Location: 2-16S-30E

30-015-27273-00-00

Original Well Type: Oil (Producing)

Well Status:

Determination or Violation Date: 8/15/2003

**Delinquent Report or Filing(s): - Sundry Notice - C-115 Production
Report - Other Paperwork or Filing -
Other Monitoring and Reporting
Violation**

Comments: No reports of completion or production received. -

CORRECTIVE ACTION ON THIS WELL DUE BY: 9/14/2003

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.

Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infrastructure of the oil and gas industry.

Sincerely,


Artesia OCD District Office