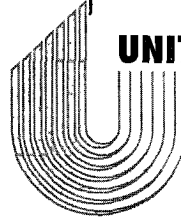


015-33949



**UNIT PETROLEUM COMPANY**

A Subsidiary of Unit Corporation

August 24, 2007

**AUG 27 2007**

**OCD**

New Mexico Energy, Minerals & Natural Resources Dept.  
1301 W. Grand Avenue  
Artesia, NM 88210

Re: LOV 0217607  
Pan Canadian 34 Federal #4

Dear Sir or Madam:

Work to begin closing the pits on this well, as well as other corrective action as necessary, will commence by the latter part of the week of August 27, or the early part of the week beginning September 3.

Elke Environmental, Inc. has been scheduled to perform the work for Unit Petroleum. Elke Environmental is currently filing the C-144 on our behalf.

If there are any other questions, please call me at 432-618-1313.

Sincerely,

*Michael D. Prichard*

Michael D. Prichard  
Production Engineer



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

**RECEIVED**

AUG 08 2007

**UPC-MIDLAND**

30-Jul-07

**UNIT PETROLEUM CO**

P. O. BOX 702500

TULSA OK 74170-2500

**LOV NO. 0217607**

**LETTER 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**

**PAN CANADIAN 34 FEDERAL No.004**

**B-34-19S-25E**

**30-015-33949-00-00**

| Inspection<br>Date   | Type Inspection  | Inspector  | Violation? | *Significant<br>Non-Compliance? | Corrective<br>Action Due By: | Inspection No. |
|--|------------------|------------|------------|---------------------------------|------------------------------|----------------|
| 07/30/2007   | Routine/Periodic | Ron Harvey | Yes        | No                              | 8/30/2007                    | iREH0721136112 |
| <b>Violations</b>  |                  |            |            |                                 |                              |                |
| Emergency/Temporary Pits   |                  |            |            |                                 |                              |                |
| <b>Comments on Inspection:</b> Drilling pit still open, liner ok. Pit contains liquids and solids. Fence in coming down on North side. Violation of Rule 50. Photos taken. |                  |            |            |                                 |                              |                |

**RECEIVED**

**AUG 02 2007**