

NEW MEXICO ENERGY, MINEKALS NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor Jennifer A. Salisbury Cabinet Secretary

Lori Wrotenbery Director Oil Conservation Division

Field Inspection Program "Preserving the Integrity of Our Environment"

31-Aug-01

MOUNTAIN STATES PETROLEUM CORP PO BOX 1936 ROSWELL, NM 88201Mosier #1 L-11-4-24 Bill Hatchett 915-695-5474

Dear Operator:

The following inspection(s) indicate one or more violations as described in the detail section below. The inspection(s) indicates that the well, equipment, location or operational status failed to meet standards of the New Mexico Oil Conservation Division. 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 below 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.

flease notify the proper district office of the Division 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

STATE E 92 013

E-26-10S-26E

30-005-10533-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance? Corrective

08/16/2001 MIT Witnessed - Br Gerry Guye

Yes

No

Action Due By: 11/30/2001 GEG0119748373

Inspection No.

Comments on Inspection:

Violation of Rule 705 (Idle well)

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,

Oil Conservation Division, District II

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.