



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

10/28/02

NOTICE OF DIRECTION

Slayton Resources, Inc
PO Box 2035
Roswell, NM 88202-2035

Dear Operator:

On August 14, 2001 and December 26, 2001 you were notified by letter indicating the following well was out of compliance with NMOC Rule 705. The letter requested you furnish this office with information concerning the future status of the well. In January 2002, you filed a form C-103 indicating this well was to be placed into production on or before April 15, 2002. As of this date no action has been taken to place this well into production. On April 29, 2002 I informed your representative on location the necessary action to take to bring this well into compliance.

- State E 92 #13 (30-005-10533) E-26-10-26

Since we have received no reply from your office on this matter, we now inform you this well must be in physical compliance on or before November 29, 2002

If this well is not in physical compliance by the due date above further enforcement **will** occur. Such enforcement will 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.

Respectfully,

Gerry Guye
Compliance Officer
District II - Artesia

*No Work on Well
12/3/02
[Signature]*

[Signature]