

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

21 June 2002

TO: David Brooks

RE: PETITION FOR COMPLIANCE HEARING

Diablo State # 2 I-16-10-27 30-005-60020

Clarken Deserved Inc

Slayton Resources Inc.

P.O. Box 2035

Roswell, New Mexico 88202-2035

TIME LINE OF EVENTS AND DATES:

LETTERS OF DIRECTION

(1) 1-17-2002 deadline of 2-18-2002
 (2) 3-1-2002 deadline of 3-18-2002
 (3) 6-7-2002 request of well status

NOTICE OF VIOLATION LETTER:

(1) Letter sent 4-12-2002. The return receipt signed by ruby Wilkerson (?)(4-16-2002) has been delivered to this office.

PHONE CALLS

Paul Slayton called on 4-19-2002 and requested an extension until 5-31-2002. The extension was granted.

FORM C-103

- 1. Dated 4-17-2002 stated that the operator had installed surface equipment. If there was no production they would turn it into an injection well.
- 2. Dated 6-12-2002 stated that they would pull the well as soon as their rig was repaired.

Our last inspection was on 6-19-2002. At that time there was no activity and the well was not producing.