



GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

**NEW MEXICO
NAT**

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

McKay Oil Corp.
P.O. Box 2014
Roswell, New Mexico 88201

11 April 2002

Via Certified Mail

McKay Oil Corp.
P.O. Box 2014
Roswell, New Mexico 88201

2. Article Number

(Transfer from service)

7001 1940 0001 9971 3266

PS Form 3811, August 2001

Domestic Return Receipt

102595-01-M-2509

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

Michael Beach

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery
4-12-02

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

3. Service Type

☐ Certified Mail

☐ Express Mail

☐ Registered

☐ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

RE: NOTICE OF VIOLATION: NMOCD Rule 201

McKay Oil Corp.

West Fork Fed. Unit # 4

K-32-4-22

API# 30-005-62821

Dear Sirs:

This letter shall serve as a Notice of Violation of the rules of the New Mexico Oil Conservation Division.

McKay Oil Corp. was notified about this matter by letters dated 11-30-2001 and 3-1-2002. This certified letter is being sent in part because previous directives have brought no response.

New Mexico Oil Conservation Division Rule 201 provides as follows:

201 WELLS TO BE PROPERLY ABANDONED

201.A. The operator of any well drilled for oil, gas or injection; for seismic, core or other exploration, or for a service well, whether cased or uncased, shall be responsible for the plugging thereof. [7-12-90...2-1-96]

201.B. A well shall be either properly plugged and abandoned or temporarily abandoned in accordance with these rules within ninety (90) days after:

- (1) A sixty (60) day period following suspension of drilling operations, or
- (2) A determination that a well is no longer usable for beneficial purposes, or
- (3) A period of one (1) year in which a well has been continuously inactive.

Your failure to respond to OCD directives and failure to bring this well into compliance with the foregoing provisions is a serious violation of the OCD Rules.

In the event that a satisfactory response is not received to this Notice of Violation (NOV) by 30 April, 2002, this office will apply 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 yours,

Tim W. Gum

Tim Gum, District Supervisor, District II

CC: OCD Legal