



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Field Inspection Program

"Preserving the Integrity of Our Environment"

22-Oct-07

LEWIS B BURLESON INC

PO BOX 2479

MIDLAND TX 79702



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

NEW MEXICO Z STATE No.002			A-2-24S-36E		30-025-26363-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/17/2007	Routine/Periodic	Buddy Hill	Yes	No	1/20/2008	iLWH0729053963
Violations						
Absent Well Identification Signs (Rule 103)						
Comments on inspection:		WELL SIGN HAS "R 34 E" NEEDS TO BE CHANGED TO "R 36 E" FIRST NOTICE				

11/16/2007

Please be advised that a new well sign has been put up on this location and is ready for re-inspection. If you have any questions, feel free to call 432/683-4747.

Lewis B. Burleson, Inc.

OK!
11-27-07
[Signature]