

NEW MEXICO ENERGY, MINERALS 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"

23-Aug-07

ASHER ENTERPRISES LTD. CO.

PO BOX 423

ARTESIA NM 88211

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

LAWTON STATE No.004

D-14-13S-33E

30-025-01071-00-00

Inspection

Type Inspection

Inspector

*Significant Violation?

Corrective

Inspection No.

Date 08/23/2007

Plugged Well Surface Restor Maxey Brown

Yes

Non-Compliance? No

Action Due By: 11/26/2007

iMGB0723522420

Comments on Inspection:

DO NOT RELEASE! NEED TO LEVEL PIT AREA BACK TO NATURAL CONTOUR. THIS

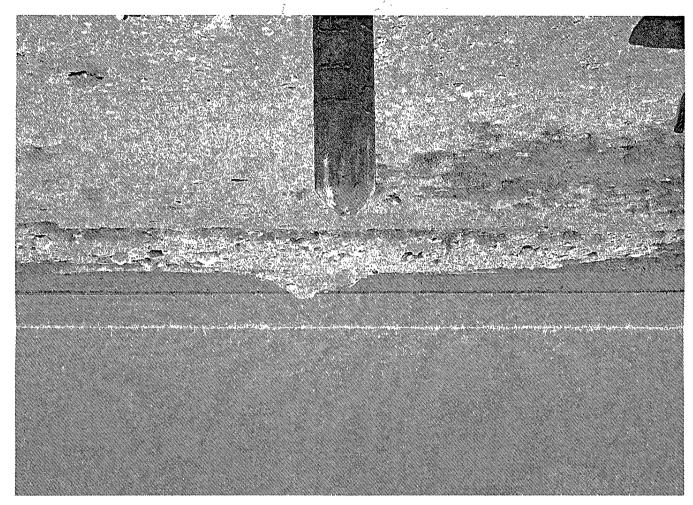
IS 2ND LETTER OF NON-COMPLIANCE.

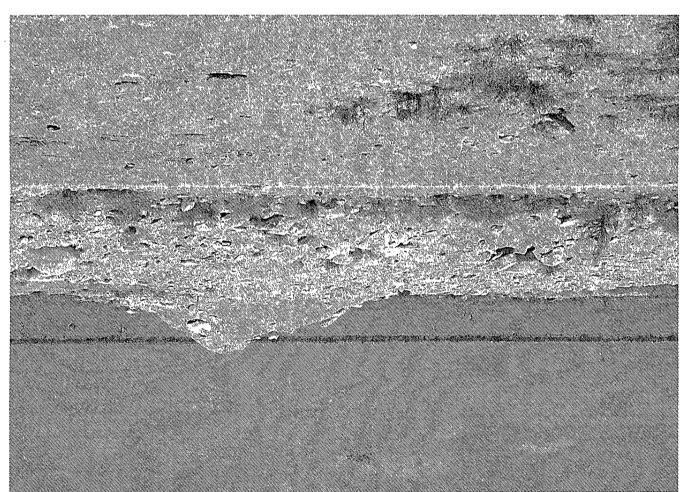
In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Divison Examiner in Santa Fe to show cause why you should not be ordered to plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of

Sincerely,

Hobbs OCD District Office

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





TO THE SECOND SECOND



1903 Savannah • Post Office Box 423 • Artesia, New Mexico 88211-0423 Office (505) 748-1424 • Fax (505) 748-1425

To Whom It May Concern:

The pit on the Lawton St #4, API well # 30-025-01071, was leveled back to its natural contour on 11-15-07.

Sincerely

Kellve Jone