



STATE OF NEW MEXICO
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

April 22, 1992

Mr. Patrick Woosley
APA Development Inc.
P.O. Box 215
Cortez, CO 82321

*Santa Fe Leggs #1
0-11-21-10*

RE: Santa Fe Leggs Lease

Dear Mr. Woosley:

A field inspection conducted by personnel from this office on 4-20-92 revealed that the referenced lease is in a deplorable condition. Specifically the central tank battery has run over, the fire wall is half full of oil and sludge and the tanks are covered with oil. The #1 well has a 20'x 30' unfenced pit which is full of oil and produced water, there is no well sign and the entire location is oil stained and junky. The #2 well has puddles of oil and junk on location.

You are in violation of the following rules and regulations. Rule 116 unreported oil spill at tank battery. Rule 310-B - No sign on tank battery. Rule 103 - No well sign on well #1. Migratory bird order R-8952 all pits are to be netted in accordance with the order.

You are hereby directed to immediately file a spill report and initiate clean up activity. We will reinspect the lease within the next 2 weeks. If progress has not been made toward cleanup, I will recommend that the lease be shut in until cleanup is completed.

Yours, truly,

Charles Gholson
Deputy Oil & Gas Inspector

CG/dj

xc: Bob Stoval
Operator File