

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David Catanach, Director
Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

14-Apr-15

G & G OIL AND GAS, LLC
320 NORTH DAL PASO
HOBBS NM 88240

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

SAUNDERS 10 STATE No.002				J-10-14S-33E	30-025-01122-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.	
04/13/2015	Routine/Periodic	Mark Whitaker	Yes	No	5/22/2015	iMAW1510334475	
		Violations					
		Absent Well Identification Signs (Rule 103)					
Comments on Inspection:		Well sign not legible (Rule 19.15.16.8). NEED TO REPLACE WELL SIGN					

BAUM 6 COM No.001				B-6-14S-33E	30-025-22264-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.	
04/09/2015	Routine/Periodic	Mark Whitaker	Yes	No	7/13/2015	iMAW1509933342	
		Violations					
		Absent Well Identification Signs (Rule 103)					
		Surface Leaks/Spills					
		General Housekeeping (Rule 114)					
Comments on Inspection:		Netting down on produced water tank, oil and produced water leaks at battery and well. No well sign. Chemical tank on side at well. Junk tbg and rods on ground north of wellhead. NEED TO REPLACE NETTING ON PRODUCED WATER PIT. NEED TO REMOVE CONTAMINATED SOILS AND DISPOSED OF PROPERLY. NEED TO REMOVE CHEMICAL DRUMS, JUNK TUBING, AND DEBRIS FROM BATTERY AREA. NEED TO INSTALL WELL SIGN.					

APR 14 2015

BAUM A STATE COM No.001

J-5-14S-33E

30-025-22668-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
04/09/2015	Routine/Periodic	Mark Whitaker	Yes	No	7/13/2015	iMAW1509932165
Violations						
Absent Well Identification Signs (Rule 103)						
Surface Leaks/Spills						
General Housekeeping (Rule 114)						

Comments on Inspection: Location needs attention. Wrong operator on well sign. Numerous drums and other debris around tanks. Contaminated pile of soil at battery. Oil staining around wellhead. NEED TO CORRECT WELL SIGN. NEED TO REMOVE CONTAMINATED SOIL AND DISPOSE OF PROPERLY. NEED TO REMOVE EMPTY CHEMICAL DRUMS, JUNK EQUIPMENT, AND DEBRIS FROM BATTERY SITE.

BAUM 6 COM No.002

H-6-14S-33E

30-025-28389-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
04/09/2015	Routine/Periodic	Mark Whitaker	Yes	No	5/22/2015	iMAW1509935228
Violations						
Absent Well Identification Signs (Rule 103)						

Comments on Inspection: No well sign (Rule 19.15.16.8). NEED TO INSTALL WELL SIGN.

SAUNDERS 10 STATE No.004

G-10-14S-33E


30-025-29417-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
04/13/2015	Routine/Periodic	Mark Whitaker	Yes	No	5/22/2015	iMAW1510335640
Violations						
Absent Well Identification Signs (Rule 103)						

Comments on Inspection: No well sign (Rule 19.15.16.8). NEED TO INSTALL WELL SIGN.

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 Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,


Compliance Officer

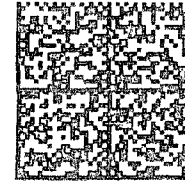
Hobbs OCD District Office

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.

Rule 19.15.16.8 Sign should be legible from 50' and each sign shall show operator's name, property name, well number, location by footage, unit letter section, township, range, and API number

EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



HASLER

015H14150977

\$0.69

04/14/15

Mailed From 88240

US POSTAGE

G & G OIL AND GAS, LLC
320 NORTH DAL PASO
HOBBS, NM 88240