

State of New Mexico  
Energy, Minerals and Natural Resources Department

Susana Martinez  
Governor

Tony Delfin  
Acting Cabinet Secretary

David R. Catanach, Division Director  
Oil Conservation Division



HOBBS OCD  
DEC 22 2016  
RECEIVED

**\*Response Required – Deadline Enclosed\***  
*Underground Injection Control Program*

December 19, 2016

Joshua Ruth  
Ruthco Oil, LLC  
PO Box 1212  
Eunice, NM 88231

CERTIFIED MAIL 7014 1200 0002 1826 6219

**RE: NOTICE TO OPERATOR: FAILED MECHANICAL INTERGRITY TEST UNDER UIC TESTING REQUIREMENTS FOR 2016**

Dear Operator:

Under the provisions of Division Rule 19.15.26.10(A) NMAC, an operator of an **INJECTION (Salt Water Disposal and Enhanced Recovery)** well or **PRODUCING** well in a special designated area must maintain and periodically test these wells for mechanical integrity. For injection wells, this includes external mechanical integrity tests (MITs) such as Bradenhead testing on casing where cement was not circulated to surface.

As detailed in Division Rule 19.15.26.11(A)(5) NMAC, it is the responsibility of the operator to notify and schedule with Division personnel the opportunity to witness any pending MITs. Prior to January 1, 2017, District I provided letters to operators of record that identified wells with violations of Rule 19.15.26.10(A) NMAC and the tests that were required.

This letter is to serve as "**Notice of Failure**" to comply with the rules referenced above for the listed well(s) in the attachment to this letter. By failing to comply, the listed well(s) have been recorded as "**test failed**". **This will require that the wells listed be shut-in immediately and incoming lines to the wellhead be disconnected.**

In addition, the listed well(s) will be forwarded to Mr. Daniel Sanchez, [daniel.sanchez@state.nm.us](mailto:daniel.sanchez@state.nm.us) 505-476-3493, Enforcement and Compliance Manager, Santa Fe. Upon receipt, Mr. Sanchez will consider further enforcement action(s) as necessary.

Sincerely,

A handwritten signature in black ink that reads "Maxey G. Brown".

Maxey G. Brown, District I Supervisor  
Hobbs District Office  
Phone: 575-393-6161 ext. 102

**ATTACHMENT:** List of Well(s) Subject to "Notice of Failure"

API #  
30-025-07950-00-00

WELL NAME AND No.  
HOBBS EAST SA #104

OPERATOR  
RUTHCO OIL, LLC

<u>UL</u>	<u>SEC</u>	<u>Twp</u>	<u>Rng</u>	<u>TEST</u>
F	30	18S	39E	BHT

RD  
OBSERVATION DIVISION  
N FRENCH DRIVE  
S NM 88240



HASLER

\$006.49<sup>0</sup>

12/22/2016 ZIP 88240  
012E14642224

RUTHCO OIL, LLC  
JOSHUA RUTH  
PO BOX 1212  
EUNICE, NM 88231

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"><li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li><li>Print your name and address on the reverse so that we can return the card to you.</li><li>Attach this card to the back of the mailpiece, or on the front if space permits.</li></ul>	<p>A. Signature <b>X</b> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
1. Article Addressed to:  <p>RUTHCO OIL, LLC JOSHUA RUTH PO BOX 1212 EUNICE, NM 88231</p>	3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.
2. Article Number (Transfer from service label)	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT  
OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

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Restricted Delivery Fee (Endorsement Required)	
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Here

Sent To	Ruthco Oil LLC
Street, Apt. No.; or PO Box No.	PO BOX 1212
City, State, ZIP+4	EUNICE, NM 88231

PS Form 3800, August 2006

See Reverse for Instructions