



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

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Director
Oil Conservation Division

*Field Inspection Program
"Preserving the Integrity of Our Environment"*

17-Jan-06

RANGE OPERATING NEW MEXICO INC
777 MAIN STREET SUITE 800
FT WORTH TX 76102

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

SOUTH CULEBRA BLUFF UNIT No.003			G-23-23S-28E	30-015-22700-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/11/2006	Routine/Periodic	Chris Beadle	Yes	No	2/10/2006	iCLB0601142847

Violations
Surface Leaks/Spills

Comments on Inspection: Met with Greg Swindle, White Buffalo Environmental Services, Inc, representing the operator, to examine various wells in this area for remediation projects status. Driving by this well, observed that the well had standing fluids and fresh soil contamination on location. Cellar has standing fluids and saturated soils.

Remediation is required. Submit a remediation work plan to OCD District 2 Office prior to February 10, 2006.

OCD approved remediation must begin on this release no later than February 17, 2006. Until a remediation work plan is received, the NMOCD District 2 Office must be notified 48 hours prior to any remediation work or prior to taking samples where results of the samples may be submitted to the OCD.

2RP-3984

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. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

Sincerely,



Artesia 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.**