

# State of New Mexico

## Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary-Designate

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

**Jami Bailey, Division Director**  
Oil Conservation Division



**\*Response Required - Deadline Enclosed\***

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

15-Jul-13

**GP II ENERGY INC**  
113 CORPORATE DRIVE  
MIDLAND TX 79705

**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***

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/11/2013	Routine/Periodic	Mike Bratcher	Yes	No	8/11/2013	iMLB1319244223

**Comments on Inspection:** During a routine inspection of this site, the following was observed: Hydrocarbon staining at well head, extending out on to well pad. Areas in the tank battery are heavily impacted with oil and produced water. There are two open top fiberglass storage tanks on the south end of battery. The north (tan) fiberglass tank appears to have been allowed to overflow on what appears to be more than one occasion. Bermed area on west side of these vessels has oil standing in sw corner. Impacted soils are present inside and outside the battery area on west side. OCD is requesting that GPII submit a Form C-141 to report the release/releases that have occurred at this facility. Well is in violation of NMAC 19.15.29. Standing oil and/or produced fluid is to be removed immediately. Highly contaminated soils are to be excavated and hauled to disposal or temporarily stored in a lined, bermed portion of the facility. All areas of contamination are to be delineated and a remediation proposal submitted to NMOCD and BLM for review. Delineation samples are to be tested for (at a minimum) GRO/DRO, BTEX, and chloride content. Additional sampling and testing will be required as project progresses. Standing fluid removal is to commence immediately. Highly contaminated/saturated soil excavation is to commence after notification and approval from NMOCD and BLM. NMOCD contact is Mike Bratcher (575-748-1283 Ext 108) Contact for BLM is Jim Amos (575-234-5909)

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,

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.

