



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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Director

**Oil Conservation Division**

*And to speak a Program  
"Preserving the Legacy of Our Environment"*

15-Nov-05

## **PRONGHORN MANAGEMENT CORP**

PO BOX 1772

HOBBS NM 88241

### **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**

**SIVLEY STATE No.001**

**M-17-19S-29E**

**30-015-26837-00-00**

| Inspection Date | Type Inspection  | Inspector    | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|-----------------|------------------|--------------|------------|------------------------------|---------------------------|----------------|
| 11/15/2005      | Routine/Periodic | Chris Beadle | Yes        | No                           | 12/15/2005                | iCLB0531942313 |

#### **Violations**

Substandard Equipment and/or Needs Repair

**Comments on Inspection:** This well is an open casing that appears to be incapable of producing.

The valves on the casing appear to be in disrepair, there is no flow line, the pumpjack is dismantled and there is no tubing in the open hole. Access road is becoming overgrown, no vehicle tracks over graded area of main road, no vehicle tracks on location and no disturbed vegetation from recent vehicle activity noted at time of inspection.

The last reported production was 6/1/2005. Production reports show one barrel produced each month for 2005 and one barrel for each month back to 8/1/2004.

Contact NMOCD District 2 Office to schedule a production test.

Provide NMOCD District 2 Office with 24 hours notice prior to the next scheduled production from this well. Include method of production with the notification.

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.