



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

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Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Field Inspection Program

"Protecting the Integrity of Our Environment"

02-Feb-06

BASS ENTERPRISES PRODUCTION CO

PO BOX 2760

MIDLAND TX 79702

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

POKER LAKE UNIT No.080

4-19-24S-31E

30-015-27537-00-00

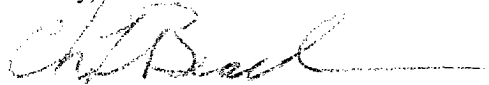
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
02/01/2006	Routine/Periodic	Chris Beadle	Yes	No	3/1/2006	iCLB0603248278
Violations						
Surface Leaks/Spills						

Comments on Inspection: Localized wellhead contamination, some saturated soils around wellhead. Contamination has flowed from wellhead area south across location. Hydrocarbon smells to impacted soils, chloride residues visible.

Wellhead area remediation is required. Remediation must be completed on this release no later than March 1, 2006. Notify NMOCD District 2 Office 48 hours prior to taking samples where results of the samples may be submitted to the OCD. Notify NMOCD District 2 Office when remediation is completed.

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,

A handwritten signature in cursive script, appearing to read "Chris Beal", followed by a horizontal line.

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.