30-015-23443

ExxonMobil Production Company P.O. Box 4358 Houston, Texas 77210-4358

ExonMobil
June 10, 2005 Production

Avalon Delaware Unit No. 433 Inspection No. iMLB0513142847

Mr. Mike Bratcher New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division 1301 W. Grand Artesia, New Mexico 88210

JUN 1 3 2005 OOD-ARTERIA

Dear Mr. Bratcher,

We are in receipt of your letter dated May 16, 2005 for the Avalon Delaware Unit No. 433. The notice of violation requires the removal of nine 50 gallon drums that contain tank bottom type sludge and the disposal of the contaminated soils around the drums.

ExxonMobil does not own this site. It is our understanding that MWJ Producing Company is the owner of the two wells which have been plugged and abandoned. ExxonMobil has been unable to contact MWJ Producing Company regarding this violation.

Nevertheless, despite the fact that this is not our site, ExxonMobil has conducted the requested cleanup. However, we are requesting that the NMOCD rescind this notice of violation from ExxonMobil as we are not the Owner or Operator of this facility.

Should you have any questions or concerns, please feel free to contact me at (281) 654-1001.

Sincerely,

Timothy O. Cagle Compliance Supervisor

Vinto O. Ceyla

30-015-23443

Arkland Producing Co., Inc

400 W. Illinois Ste. 1120 Midland, Tx. 79701

> Office 915-682-2128 Fax 915-686-7929 Mobile 915-528-6751

3/24/2005

Exxon/Mobil

Attn: Production Dept.

P. O. Box 4610

Houston, Texas 77210-4610

RECEIVEL

MAR 3 1 2005

OCD-AHTESIA

Re:

Avalon Delaware Unit Eddy Co., New Mexico

Dear Sirs:

I received a letter from Mike Bratcher with the OCD (Oil Conservation Division) stating there are some old oil drums located near the Avalon-Delaware Unit #433 well. After research I determined that these drums do not belong to the previous operator (MWJ Producing). There were no barrels left on location when Exxon took over operations, and I can assure you, we had no reason to leave any barrels on this location after Exxon took over. I find it hard to believe Exxon would have taken the wells over had there been trash left on location since these wells were taken over as is. I can only assume that these drums were left there by Exxon-Mobil or a roustabout company simply found a good place to leave trash. In either event, it is Exxon-Mobil's responsibility to clean up these drums.

If you have any other questions please call John Schlagal @ 432-683-1044.

Sincerely,

ARKLAND PRODUCING CO., INC.

Mark Dehlinger oth

Engineer

CC:

Mike Bratcher (OCD)

Karen Martin Ken Williams Ed Judson

John Schlagal



NEW MEXICO ENERGY, MINERALS NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E. Director

Oil Conservation Division

Field Inspection Program "Preserving the Integrity of Our Environment"

04-Feb-05

MWJ PRODUCING CO 400 W ILLINOIS STE 1100 MIDLAND TX 79701

NOTICE 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

STATE GW COM No.001

K-36-20S-27E

30-015-21949-00-00

Inspection

Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

02/03/2005 Complaint Response Mike Bratcher

Yes

No

3/4/2005

iMLB0503530286

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

Inspected area this well is located in after receiving call from BLM rep. There are nine, 50 gallon open top drums located on Exxon-Mobil's Avalon Delaware Ut # 433 (30-015-23443) well. These drums are full of what is believed to be tank bottom materials from a tank battery that was located on this site and was utilized by the MWJ wells that were located in this area. The materials have been tested for NORMs with analysis coming back as non-detect. The barrels are in various conditions from running over, leaking and having been turned over. The BLM and OCD are requesting that your company remove this material to an approved disposal site and do a "general

houskeeping" clean up at site.