

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary





Mark E. Fesmire, P.E.
Director
Oil Conservation Division

05-Jun-07

RAY WESTALL
PO BOX 4
LOCO HILLS NM 88255

LOV NO. 02-156-07

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

FOREHAND No.003

J-15-23S-27E

30-015-22192-00-00

Inspection

Type Inspection

Violation?

*Significant Non-Compliance? Corrective Action Due By:

Inspection No.

Date 06/05/2007

Compliance Verification

Yes

Nic

6/15/2007

iGEG0715647012

Comments on Inspection:

Provisions of the Approval of the work plan for this well stipulated remedial work to be completed no later than 9/7/06 and a final C-141 to be submitted upon completion. As of this date no report

has been received. Violation of Rule 19.15.1.41

Gerry Guye

Inspector

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 Divison 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.

Sincepely,

Development of the 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.