



015-34653

CERTIFIED MAIL

SEP 25 2007  
OCD-ARTESIA

September 20, 2007

Mr. Ron Harvey  
State of New Mexico  
Oil Conservation Division – District II  
1301 W. Grand Avenue  
Artesia, NM. 88210

**RE: RIO STATE #4  
EDDY CO., NM.**

Dear Mr. Harvey:

As a follow up to Letter of Violation dated April 3, 2007, LOV No 029107 (copy attached), Murchison has completed closing this reserve pit in compliance with OCD Guidelines.

If you have any questions feel free to call.

Very truly yours,

**MURCHISON OIL & GAS, INC.**



Michael S. Daugherty  
Vice President Operations

MSD/ct/RioSt#4-OCDLettofViol-#029107-5thFolwUpResp

Encl.



# NEW MEXICO ENERGY, MINERALS and 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"*

03-Apr-07

**MURCHISON OIL & GAS INC**

1100 MIRA VISTA BLVD

PLANO TX 75093-4698

**LOV NO. 029107**

## **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***

**RIO STATE No.004**

**A-36-18S-24E**

**30-015-34653-00-00**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
04/03/2007	Routine/Periodic Violations Emergency/Temporary Pits	Ron Harvey	Yes	No	5/3/2007	iREH0709344888

**Comments on Inspection:** Well producing since 7/1/2006. Drilling pit still open and full, liner ok. Violation of Rule 50. Photos taken.

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.