

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop Cabinet Secretary Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

18-Dec-09

ERS RESOURCES, LLC

C/O ORBIT PETROLEUM, INC. 251 O'CONNOR RIDGE BLVD, #265

IRVING TX 75038

LOVNO. 02-09-117

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

ARTESIA METEX UNIT No.003

H-24-18S-27E

30-015-00938-00-00

Inspection Date

Type Inspection

Inspector

*Significant
Violation? Non-Compliance?

Corrective Action Due By:

Inspection No.

12/17/2009

Routine/Periodic

Kimberly Wilson Yes

No

1/17/2010

iKMW0935148116

Comments on Inspection:

Idle well, last production 3/07, Violation of NMAC 19.15.25.8 Operator must return well to

beneficial use, TA or submit P/A procedure to OCD District II office no later than January 17,

2010.

ARTESIA METEX UNIT No.002

G-24-18S-27E

30-015-00939-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance? Corrective Action Due By:

Inspection No.\

12/17/2009

Routine/Periodic

Kimberly Wilson

Yes

No

1/17/2010

iKMW0935147945

Comments on Inspection:

Idle well, last production 11/2006, Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than January 17,

2010.

ARTESIA METEX UNIT No.001 B-24-18S-27E 30-015-00940-00-00 Inspection *Significant Corrective Inspection No. Type Inspection Inspector Violation? Date Non-Compliance? Action Due By: 12/16/2009 Routine/Periodic Kimberly Wilson Yes No 1/1/2010 iKMW0935147286 Comments on Inspection: Produced fluids released at wellhead and running across location, violation of NMAC 19.15.29. Operator must submit C-141 to OCD District II office no later than January 1, 2010. Remediation and/or work plan may be required. ARTESIA METEX UNIT No.006 30-015-00941-00-00 K-24-18S-27E Inspection *Significant Corrective Type Inspection Inspection No. Date Inspector Violation? Non-Compliance? **Action Due By:** Routine/Periodic iKMW0935227819 12/16/2009 Kimberly Wilson Yes No 1/17/2010 Comments on Inspection: Idle Well. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than January 17, 2010 for approval. **ARTESIA METEX UNIT No.016** M-24-18S-27E 30-015-00942-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 12/16/2009 Routine/Periodic Kimberly Wilson Yes No 1/17/2010 iKMW0935227945 Idle Well. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or Comments on Inspection: submit P/A procedure to OCD District II office no later than January 17, 2010 for approval. ARTESIA METEX UNIT No.008 I-24-18S-27E 30-015-00944-00-00 Inspection *Significant Corrective Type Inspection Violation? Inspector Inspection No. Date Non-Compliance? Action Due By: 12/16/2009 Routine/Periodic Kimberly Wilson Yes No 1/17/2010 iKMW0935227739 Comments on Inspection: idle Well. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than January 17, 2010 for approval. ARTESIA METEX UNIT No.005 L-24-18S-27E 30-015-00945-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Date Inspection No. Non-Compliance? Action Due By: 12/17/2009 Routine/Periodic Kimberly Wilson Yes 1/17/2010 iKMW0935148994 Comments on Inspection: Idle well, last production 12/2005, Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than January 17, 2010. ARTESIA METEX UNIT No.018 N-24-18S-27E 30-015-00946-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 12/17/2009 Routine/Periodic Kimberly Wilson Yes No 1/17/2010 iKMW0935149358 Comments on Inspection: Idle well, last production 11/2006, Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than January 17, 2010. ARTESIA METEX UNIT No.017 N-24-18S-27E 30-015-00947-00-00 *Significant Inspection Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 12/17/2009 Routine/Periodic Kimberly Wilson Yes No 1/17/2010 iKMW0935149217 Comments on Inspection: Idle well, last production 3/2007, Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than January 17, 2010. ARTESIA METEX UNIT No.027 D-25-18S-27E 30-015-00951-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Date Inspection No. Non-Compliance? Action Due By: 12/17/2009 Routine/Periodic Kimberly Wilson iKMW0935133369 Yes No 1/17/2010 Comments on Inspection: Idle Well. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than January, 17, 2010 for approval.

ARTESIA METEX UNIT No.036					E-25-18S-27E	30-015-00952-00-	•00
Inspection Date	Type Inspectio	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/17/2009	Routine/Perio	odic	Kimberly Wilson	Yes	No	1/17/2010	iKMW0935133997
Comments	on Inspection:					to beneficial use, TA 7, 2010 for approval.	or
ARTESIA	METEX UNIT	No.026			A-26-18S-27E	30-015-00962-00-	.00
Inspection Date	Type Inspectio	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/17/2009	Routine/Perio		Kimberly Wilson		No.	1/17/2010	iKMW0935131434
	on Inspection:	Idle Well. Viol	ation of NMAC 19.1	5.25.8 Ope	rator must return well	to beneficial use, TA 7, 2010 for approval.	
ARTESIA	METEX UNIT	No.035			H-26-18S-27E	30-015-00963-00-	00
Inspection	Tuna Inanastia	_	Inspector	Walesian?	*Significant	Corrective	Inspection No.
Date 12/17/2009	Type Inspection Routine/Perio		Inspector Kimberly Wilson	Violation? Yes	Non-Compliance?	Action Due By: 1/17/2010	iKMW0935132912
			•				
Comments	on Inspection:					to beneficial use, TA 17, 2010 for approval	
	METEX UNIT	No.051			P-26-18S-27E	30-015-00966-00-	00
Inspection Date	Type Inspection	ń	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/17/2009	Routine/Perio	odic	Kimberly Wilson	Yes	No	•	iKMW0935135794
Comments	on Inspection:				rator must return well to later than January 1	to beneficial use, TA	or
ARTESIA	METEX UNIT		beddie to GCD Distric	et il ollice i	B-35-18S-27E	30-015-00986-00-	
Inspection	WEIEX CIVII	140.033			*Significant	Corrective	00
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
12/17/2009	Routine/Perio		Kimberly Wilson		No		iKMW0935135373
Comments	on Inspection:	Idle Well. Viola submit P/A proc	ation of NMAC 19.15 redure to OCD Distric	5.25.8 Oper of II office n	ator must return well o later than January 1	to beneficial use, TA of 7, 2010 for approval.	or
ARTESIA N	METEX UNIT	No.056			A-35-18S-27E	30-015-00987-00-0	00
Inspection Date	Type Inspection	1	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/17/2009	Routine/Perio		Kimberly Wilson		Non-Compliance:	•	iKMW0935135606
	on Inspection:	Idle Well. Viola	ation of NMAC 19.15	5.25.8 Oper		to beneficial use, TA o	
ARTESIA N	METEX UNIT				D-36-18S-27E	30-015-00990-00-0)0
Inspection			_		*Significant	Corrective	
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
12/17/2009	Routine/Perio		Kimberly Wilson	Yes	No		iKMW0935136102
Comments	on Inspection:				ator must return well of later than January 20	to beneficial use, TA of 010 for approval.	or
	METEX UNIT	No.058			C-36-18S-27E	30-015-00991-00-0	00
Inspection Date	Type Inspection	,	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/17/2009	Routine/Perio		Kimberly Wilson	Yes	No		KMW0935136310
_	on Inspection:	ldle Well. Viola	tion of NMAC 19.15	.25.8 Oper		o beneficial use, TA o	
ARTESIA N	METEX UNIT				I-26-18S-27E	30-015-01190-00-0	00
Inspection					*Significant	Corrective	
Date	Type Inspection		•	Violation?	Non-Compliance?	Action Due By:	Inspection No.
12/17/2009	Routine/Period		Kimberly Wilson	Yes	No		KMW0935134257
Comments of	on Inspection:				ator must return well to later than January 17	o beneficial use, TA o 7, 2010 for approval.	r

ARTESIA N	METEX UNIT	No.050		O-26-18S-27E		00	
Date	Type Inspection	n	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
12/17/2009	Routine/Perio	odic	Kimberly Wilson	Yes	No	1/17/2010	iKMW0935135065
Comments	on Inspection:				rator must return well no later than January 1	to beneficial use, TA of 7, 2010 for approval.	or
ARTESIA N	METEX UNIT	No.029			B-25-18S-27E	30-015-01194-00-	00
Inspection	70°		T	17 L C 0	*Significant	Corrective	Tuonastion No
Date 12/17/2009	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
	Routine/Perio		Kimberly Wilson		No		iKMW0935130686
Comments	on Inspection:				no later than January 1	to beneficial use, TA of 7, 2010 for approval.	or
ARTESIA N	METEX UNIT	No.019			O-24-18S-27E	30-015-01195-00-	00
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/17/2009	Routine/Perio		Kimberly Wilson		No.	•	iKMW0935149690
	on Inspection:	Idle well, last pr	oduction 3/2007, V	iolation of l	NMAC 19.15.25.8 Op	perator must return we to later than January 20	II to
ARTESIA N	METEX UNIT				P-24-18S-27E	30-015-01196-00-0	
Inspection Date	Type Inspection	a	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/16/2009	Routine/Perio		Kimberly Wilson		No.		iKMW0935227885
	on Inspection:		ation of NMAC 19.15	5.25.8 Oper		to beneficial use, TA	
ARTESIA M	METEX UNIT				J-24-18S-27E	30-015-01197-00-0	00
Inspection Date	Type Inspection	1	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/17/2009	Routine/Perio	die	Kimberly Wilson	Yes	No	1/17/2010	iKMW0935148625
Comments of	on Inspection:					ator must return well to o later than January 17	
ARTESIA M	METEX UNIT	No.004			E-19-18S-28E	30-015-01944-00-0	00
Inspection	T 1		T	17. 1 o	*Significant	Corrective	T . 18.7
Date 12/17/2009	Type Inspection Routine/Perio		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
			Kimberly Wilson	Yes	No		KMW0935150012
Comments	on inspection:				C 19.15.25.8 Operato CD District II office no	or must return well to to later than January 17	,
ARTESIA M	IETEX UNIT	No.061			A-25-18S-27E	30-015-21874-00-0	00
Inspection	Type Inspection		Inspector	Violation?	*Significant	Corrective	Inspection No.
Date 12/17/2009	Routine/Perior		Kimberly Wilson	Yes	Non-Compliance? No	Action Due By: 1/17/2010 i	KMW0935131008
Comments on Inspection: Idle Well. Violation of NMAC 19.15.25.8 submit P/A procedure to OCD District II of					ator must return well t	o beneficial use, TA o	
ARTESIA M	IETEX UNIT				H-25-18S-27E	30-015-27192-00-0	
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/17/2009	Routine/Period		Kimberly Wilson	Yes	No	•	KMW0935130292
Comments of		Idle Well. Viola	tion of NMAC 19.15	.25.8 Opera		o beneficial use, TA o	

ARTESIA METEX UNIT No.065

Routine/Periodic

F-25-18S-27E

30-015-27193-00-00

Inspection

12/17/2009

Type Inspection Date

Inspector

Violation?

*Significant Non-Compliance? Corrective

Inspection No. Action Due By:

Kimberly Wilson

Yes

No

1/17/2010

M. Wilsen

iKMW0935133673

Comments on Inspection:

Idle Well. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than January 17, 2010 for approval.

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 División 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.

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.