nergy, Minerals and Natural Resources Department

Bill Richardson

Governor

Jon Goldstein Cabinet Secretary

.lim Noel Deputy Cabinet Secretary

Mark Fesmire Division Director Oil Conservation Division



Response Required - Deadline Enclosed

Vield Inspection Program "Preserving the Integrity of Our Environment

LONING 02-09-14

26-Mar-10

J CLEO THOMPSON P.O. Box 12577 Odessa TX 79768

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

WEST SQUARE LAKE UNIT No.015 Inspection

O-4-17S-30E *Significant

Yes

30-015-04083-00-00 Corrective

Date Type Inspection 03/26/2010 Routine/Periodic Inspector Violation? Kimberly Wilson

Non-Compliance? No

Action Due By: 4/16/2010

Inspection No iKMW100854585

Comments on Inspection:

Inspection of this site found oil/fluids pooled at wellhead, which violates NMAC 19.15.2.8 and

NMAC 19.15.29.8.

Operator must submit a C-141 to NMOCD District II office no later than April 16, 2010.

A remediation work plan may be required.

WEST SQUARE LAKE UNIT No.015

N-4-17S-30E

30-015-04087-00-00

Inspection Date

Type Inspection

Inspector Violation?

*Significant Non-Compliance?

Corrective Action Due By:

03/26/2010 Routine/Periodic

Kimberly Wilson

4/16/2010

Inspection No

Comments on Inspection:

Yes

iKMW100854619

Inspection of this site found oil/fluids pooled at wellhead, which violates NMAC 19.15.2.8 and

NMAC 19.15.29.8.

Operator must submit a C-141 to NMOCD District II office no later than April 16, 2010.

A remediation work plan may be required.

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.

Sincerely,

Sincerely,

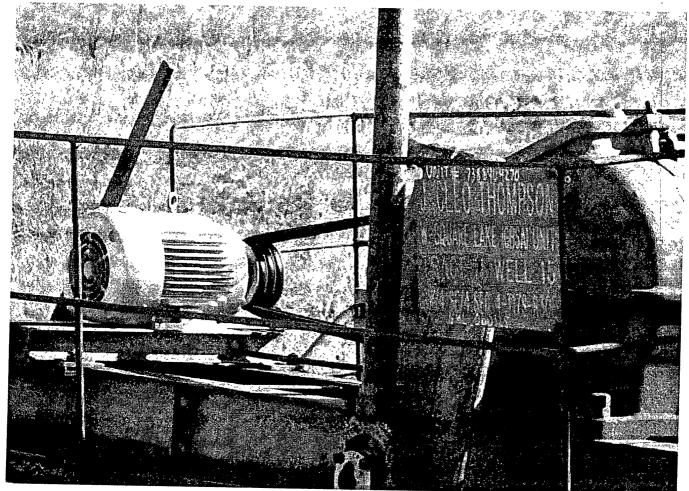
Million

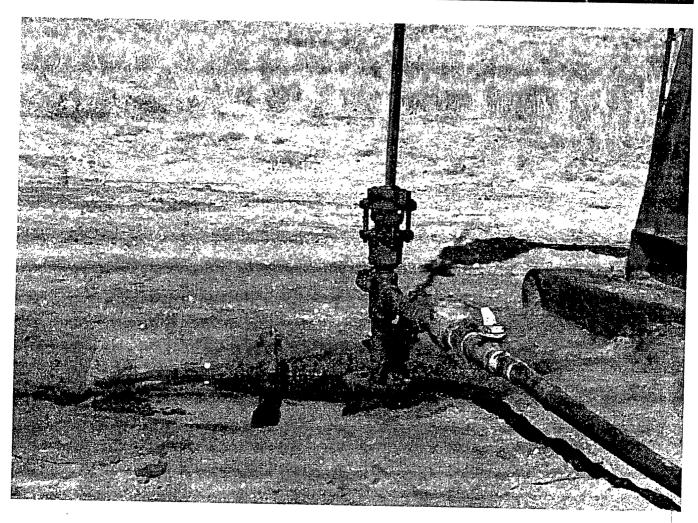
Artesia OCD District Office

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.

30-015-04083





30-015-04087



