

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

18-Feb-04

BP AMERICA PRODUCTION COMPANY

PO Box 1089

Eunice NM 88231-0000

NOTICE OF VIOLATION - Inactive Well(s)

Dear Operator:

A review of our records and recent inspection(s) indicate that the subject well(s) has been shut-in for an extended period of time. Rule 201 of the Rules and Regulation of the Oil Conservation Division provides that a well may be shut-in no longer than sixty days after suspension of drilling operations, upon determining that ther well is no longer usable (e.g., a dry hole), or one year after last production. To comply with guidelines as established in the Rules and Regulations, corrective actions must be taken immediately and the well(s) brought into compliance.

The detail section below indicates preliminary findings and/or probable nature of the violation.

The following options are available:

- 1. Immediately restore the well(s) to production, injection or disposal as applicable.
- 2. Request 'Temporary Abandoned' status pursuant to Rule 203, which requires that you set a plug and conduct a mechanical integrity test.
- 3. Submit a proposal to 'Plug and Abandon' the well(s) pursuant to Rule 202, proceed with plugging procedures on a timely basis after the proposal has been evaluated, amended and/or approved.

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.

INI PURIL INCORPORATOR CROWN

	IDLE WELL INSP	ECTION DETAIL SECT	ION
EMPIRE ABO UNIT 016A	P-2-18S-27E	30-015-00722-00-00	Inspection No. iGEG0402348832
Inspection Date: 1/23/200	04 1:33:48 PM	Correc	tive Action Due by: 4/27/2004
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Routine/Periodic Comments on Inspection:	Gerry Guye idle Well (Rule 201).	Yes	No
EMPIRE ABO UNIT 015A	O-2-18S-27E	30-015-00731-00-00	Inspection No. iGEG0402350306
Inspection Date: 1/23/2004 1:58:23 PM		Corrective Action Due by: 4/27/2004	
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
Routine/Periodic Comments on Inspection:	Gerry Guye Idle Well (Rule 201). Last re	Yes eported production in Feb 2000.	No
EMPIRE ABO UNIT 132	M-2-18S-27E	30-015-21807-00-00	Inspection No. iGEG0402352018

Inspection Date:

1/23/2004 2:26:54 PM

Corrective Action Due by: 4/27/2004

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Routine/Periodic
Comments on Inspection:

Gerry Guye

Yes

No

EMPIRE ABO UNIT 156

idle Well (Rule 201) Last reported production 1999

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30-015-22808-00-00

Inspection No. iGEG0402349171

Inspection Date:

1/23/2004 1:39:25 PM

Corr

Corrective Action Due by: 4/27/2004
tion? *Significant Non-Compliance?

Type Inspection

Inspector

O-2-18S-27E

Violation?

n-compa

Routine/Periodic

Gerry Guye

Yes

No

Comments on Inspection:

Idle Well (Rule 201). Last reported production March 2002.

Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infrastructure of the oil and gas industry.

Sincerely,

Artesia OCD/District Offic

^{*} Significant Non-Compliance events are reported directly to the U.S. Environmental Protection Agency, Region VI, Dallas, Texas.