

**NOTICE
OF
VIOLATION**



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
DISTRICT I HOBBS
PO BOX 1980, Hobbs, NM 88241
(505) 393-6161
FAX (505) 393-0720

Jennifer A. Salisbury
CABINET SECRETARY

Certified Mail: P 209 878 094

December 5, 1997

Cecil Overcast
Cecil Lee's Company (CLC)
P.O. Box 306
Tatum, NM 88267

Subject: Notice Of Violation (NOV)

Re: State 10 #1, Sec 10-Ts10s-R36e

Dear Mr. Overcast:

RECEIVED

New Mexico Oil Conservation Division (NMOCD) notified CLC by letter on July 25, 1997 of certain deficiencies and violations of NMOCD rule 116 for the above referenced facility. The NMOCD requested a response from you within thirty days concerning these issues. As of this date the NMOCD has yet to receive your response.

It appears that CLC is in violation of the New Mexico Oil & Gas Act. The following violations were found.

- A. Violation of NMOCD Rule 116; failure to report unauthorized releases of oil field waste and perform corrective actions.
- B. Violation of NMOCD general Order No. R-3221 (May 1967); Discharging oilfield produced water into unlined surface pits.
- C. Violation of NMOCD Rule 711; Managing oilfield waste on the ground in unlined pits without an approved permit.
- D. Violation of NMOCD Rule 18.B (Protection of Migratory Birds); failure to provide proper netting, screening, etc for exposed pits and ponds.
- E. Violation of NMOCD Rule 103 (Sign on Wells); failure to post required signs.

Therefore, CLC is hereby ordered to perform the following actions:

- 1. Cease and desist in all unauthorized discharges of oilfield waste into any pond or pit, or onto the ground and render any ponds and/or pits to be safe to all migratory birds.
- 2. Submit a C-141 for all of the miscellaneous un-authorized releases within 15 days of receipt of this letter.
- 3. Submit pit closure plans for the pits within 60 days of receipt of this letter.

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4. Submit a site assessment and work plan to address the vadose zone soil contamination on site and off-site as a result of past and/or present operating practices within 60 days of receipt of this letter.
5. Submit a plan of action within 60 days of receipt of this letter to determine if the on-site tanks are leaking.
6. Submit a commitment in 15 days to post the required signs.

Failure to respond to this Notice Of Violation may result in a show cause hearing against CLC, requiring CLC to appear and show cause why it should not be ordered to perform the above actions and why it should not also be assessed civil penalties.

If you require any information or assistance concerning this matter please do not hesitate to call (505-393-6161) or write this office.

Sincerely Yours,



Chris Williams-NMOCD District I Supervisor

CW/lwp: file yr97/clc

cc: Roger Anderson-Environmental Bureau Chief, Santa Fe, NM
NMOCD District I Environmental file:

Attachments- Copy of letter NMOCD to CLC dated 7/25/97 & pictures, C-141 form, Guidelines for remediation of pits, leaks & spills.