

## Bratcher, Mike, EMNRD

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**From:** Bratcher, Mike, EMNRD  
**Sent:** Thursday, January 08, 2009 10:17 AM  
**To:** Guye, Gerry, EMNRD  
**Subject:** RE: Drilling Pit

I had checked RBDMS and saw where a violation had been opened, but did not see in the well file where a letter had been sent. Where this pit is possibly being used for illegal dumping activity, and the fact that the BLM was the entity that discovered it, I feel that we need to move as quickly as possible on this. That was the reason for the email. Mr. Inge had indicated in his inspection, and I would assume in the LOV, that Merit was in violation of Rule 17. The violation here is Part 17 and there has been some confusion in the past in referring to the pit rule as Rule 17. I believe the compliance due date provided in the email would supersede the date in the LOV, but I can send an email to Merit to that effect if you think it would be necessary.

Mike

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**From:** Guye, Gerry, EMNRD  
**Sent:** Thursday, January 08, 2009 9:59 AM  
**To:** Bratcher, Mike, EMNRD  
**Subject:** RE: Drilling Pit

Mike  
LOV #02-09-001 was sent out yesterday on this.

(>  
/  
/---Gerry

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**From:** Bratcher, Mike, EMNRD  
**Sent:** Thursday, January 08, 2009 9:17 AM  
**To:** lynne.moon@meritenergy.com  
**Cc:** terry\_gregston@blm.gov; Guye, Gerry, EMNRD  
**Subject:** Drilling Pit

Dear Ms. Moon,

Terry Gregston with the Bureau of Land Management (BLM), Carlsbad, New Mexico District, has advised the New Mexico Oil Conservation Division (NMOCD) of the existence of an open drilling pit at Merit Energy's Lotsa Luck 29 Fed Com 003. The well site is situated in Unit letter G Section 29 Township 16S Range 27E Eddy County New Mexico. API: 30-015-33742

Ms. Gregston has indicated that this pit appears to have been used for illegal dumping of oil field waste. The pit is in violation of NMOCD Rules and Regulations, specifically, 19.15.17 [NMAC]. Merit Energy is to submit a Form C-144 pit closure proposal to the NMOCD District 2 Office not later than January 22, 2009. Failure to comply with this directive will result in further enforcement action by NMOCD.

Thank you for your cooperation in this matter.

Mike Bratcher  
NMOCD District 2  
1301 W. Grand Ave.  
Artesia, New Mexico 88210  
(575) 748-1283 Ext. 108

**Bratcher, Mike, EMNRD**

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**From:** Bratcher, Mike, EMNRD  
**Sent:** Thursday, January 08, 2009 9:17 AM  
**To:** 'lynne.moon@meritenergy.com'  
**Cc:** 'terry\_gregston@blm.gov'; Guye, Gerry, EMNRD  
**Subject:** Drilling Pit

Dear Ms. Moon,

Terry Gregston with the Bureau of Land Management (BLM), Carlsbad, New Mexico District, has advised the New Mexico Oil Conservation Division (NMOCD) of the existence of an open drilling pit at Merit Energy's Lotsa Luck 29 Fed Com 003. The well site is situated in Unit letter G Section 29 Township 16S Range 27E Eddy County New Mexico. API: 30-015-33742

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NMOCD District 2  
1301 W. Grand Ave.  
Artesia, New Mexico 88210  
(575) 748-1283 Ext. 108

Bratcher, Mike, EMNRD

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From: System Administrator  
To: kristin.hodge@meritenergy.com  
Sent: Thursday, January 08, 2009 7:46 AM  
Subject: Undeliverable: Drilling Pit

Your message did not reach some or all of the intended recipients.

Subject: Drilling Pit  
Sent: 1/8/2009 7:49 AM

The following recipient(s) cannot be reached:

kristin.hodge@meritenergy.com on 1/8/2009 7:45 AM

There was a SMTP communication problem with the recipient's email server. Please contact your system administrator.

<CEXFE4.nmes.lcl #5.5.0 smtp;550 No such user - psmtpt>

972-628-1467 - MB8 - cnel

972 628 1569

~~Lin~~ Moon

Lynne.Moon@meritenergy.com

**Bratcher, Mike, EMNRD**

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**From:** Bratcher, Mike, EMNRD  
**Sent:** Thursday, January 08, 2009 7:45 AM  
**To:** 'kristin.hodge@meritenergy.com'  
**Subject:** pit closure

Kristin,

I am with the New Mexico Oil Conservation Division in Artesia, New Mexico. A representative of the Bureau of Land Management has brought to my attention, the existence of a drilling pit on one of Merit Energy's well sites in Eddy County, New Mexico. I would prefer to advise Merit of this pit and the requirements for closing it by email, but your email address was the only one I could readily obtain. Would you please provide me with an email address for whomever might be the person that I would need to contact for this matter? Your assistance would be greatly appreciated.

Sincerely,

Mike Bratcher  
NMOCD District 2  
1301 W. Grand Ave.  
Artesia, NM 88210  
(575)748-1283 Ext.108

**Bratcher, Mike, EMNRD**

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**From:** Terry\_Gregston@blm.gov  
**Sent:** Monday, December 29, 2008 3:34 PM  
**To:** Bratcher, Mike, EMNRD  
**Subject:** 2005 reserve pit still open  
**Attachments:** Lotsa Luck 29 Federal Com 3-110608- 002.jpg; Lotsa Luck 29 Federal Com 3-110608-005.jpg; Lotsa Luck 29 Federal Com 3-110608- 004.jpg

Mr. Bratcher,

The reserve pit on the following well was opened in 2005 and never closed. The plastic has deteriorated and the pit still has fluids in it; there are some signs (truck tracks backing up to it, several times, with different ages in the tracks) of perhaps continued illegal dumping in it from other operators in area. I am pursuing closure of the pit with required like-approval from OCD, but you guys might want to take a look at it, too.

Lotsa Luck 29 Federal #3  
SWNE, sec. 29, T16S, R27E

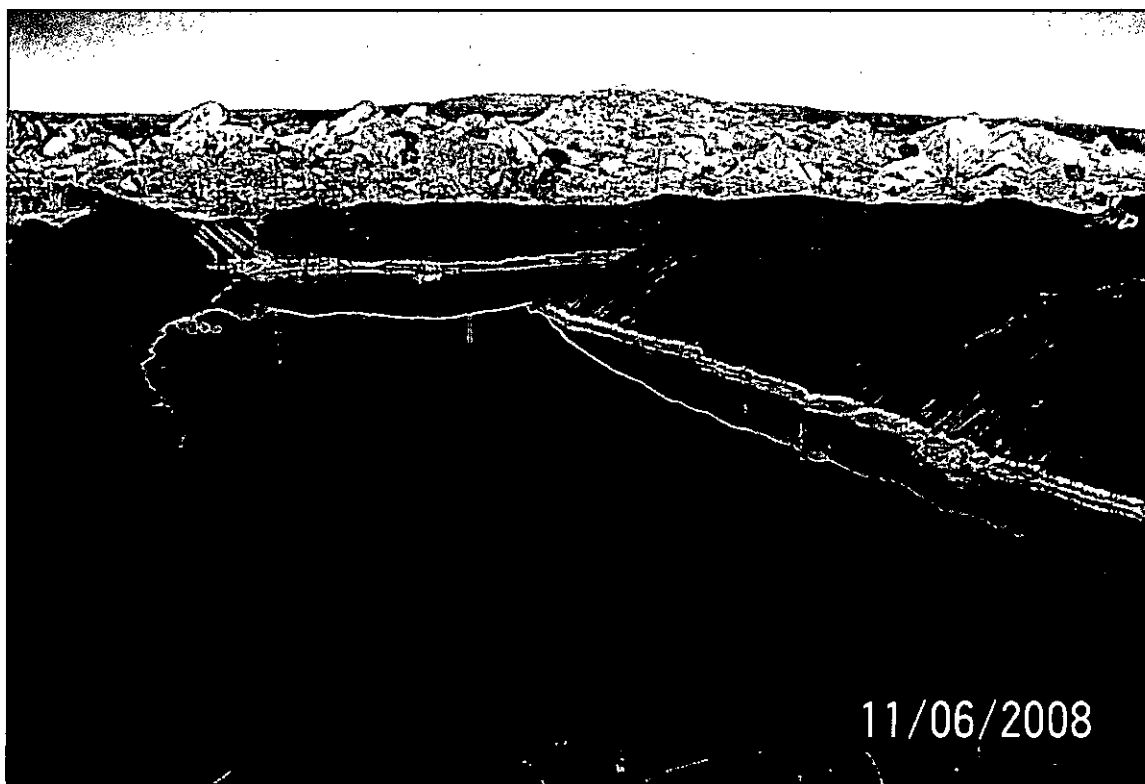
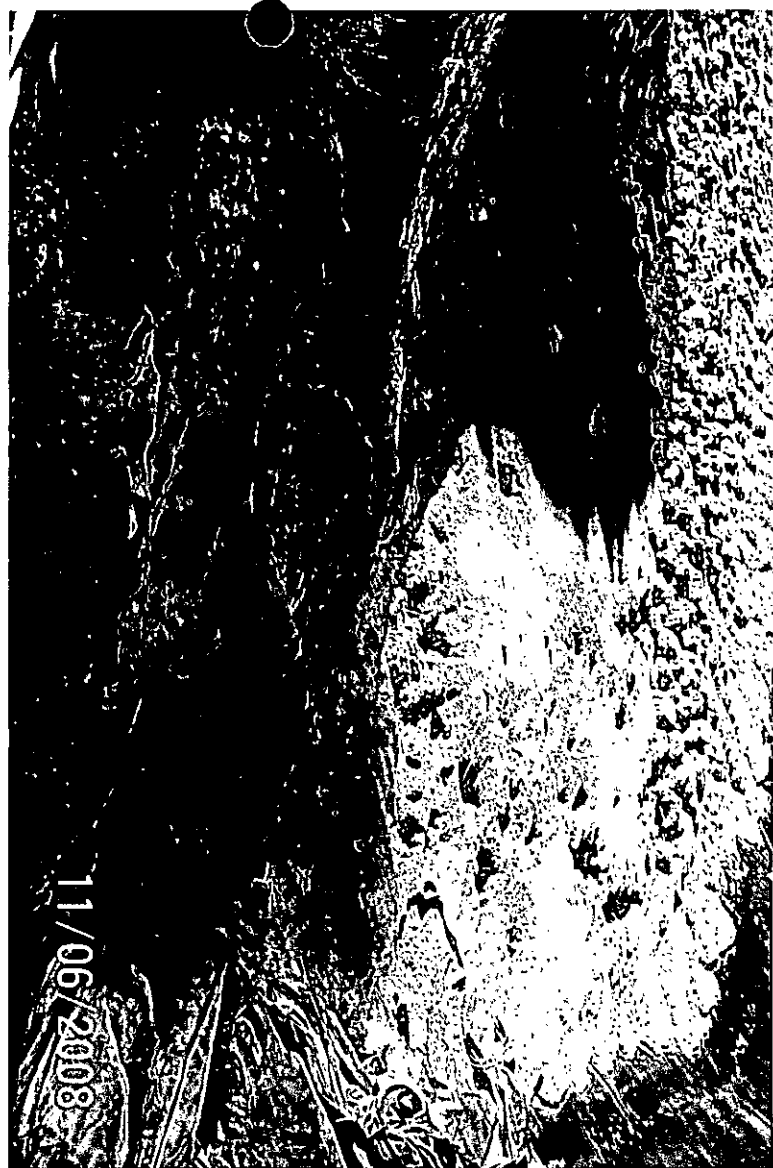
Terry Gregston  
Environmental Protection Specialist  
Bureau of Land Management  
620 E. Greene St.  
Carlsbad, NM 88220  
Office (575) 234-5958  
Fax (575) 234-5927

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This inbound email has been scanned by the MessageLabs Email Security System.

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OPEN PIT



**Guye, Gerry, EMNRD**

**From:** Guye, Gerry, EMNRD  
**Sent:** Thursday, May 01, 2008 9:03 AM  
**To:** 'kristin.hodge@meritenergy.com'  
**Cc:** Bratcher, Mike, EMNRD; 'James\_Amos@nm.blm.gov'  
**Subject:** Lotsa Luck 29 Fed #3 (30.015-33741)

COPY FROM WELL FILE

33742

Kristin

I have received a request to BLM (Form 3160-5) for shut in status on the above well.

Please be advised that NMOCD Rules do not provide for a shut in status, therefore your approval from BLM, until 7/15/08 will not effect your status on the NMOCD inactive well list nor the ACOI - 171.

**Gerry Guye**

Compliance Officer

NMOCD - Artesia

Office (505)748-1283x105

Mobile (505)626-0843

E-Mail: gerry.guye@state.nm.us

COPY FROM WELL FILE

REE wrote Vio for Pit & well sign  
 12/108 - says pics on L drive - Could  
 not find them

No Vio Letter in well file