

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

7008 1140 0001 4145 1803

Mark Fesmire
Division Director
Oil Conservation Division



Marks and Garner Production LTD Co.
PO Box 1089
Hobbs NM 88241
ATTN: Quinton Welborn

May 14, 2009

*mailed SM
6/1/09*

Dear Mr. Welborn,

The New Mexico Oil Conservation Division District 2 Office (OCD) is in receipt of an Initial Report Form C-141 reporting produced fluid releases at each of the well sites listed below:

Levers Federal 007	30-015-25091	J-33-16s-29e	OCD Reference: 2RP-304
Levers 003Y	30-015-02787	N-33-16s-29e	OCD Reference: 2RP-305
Red 12 Federal 001	30-015-25058	O-33-16s-29e	OCD Reference: 2RP-306
Cave State 004	30-015-24742	F-04-17s-29e	OCD Reference: 2RP-307
Red 12 State 002	30-015-24966	H-04-17s-29e	OCD Reference: 2RP-308
Red 12 State 003	30-015-24989	J-05-17s-29e	OCD Reference: 2RP-309
Red 12 State 004	30-015-24991	O-05-17s-29e	OCD Reference: 2RP-310

The Form C-141s were submitted by Marks and Garner Production LTD Co (Marks and Garner) as a response to Letters of Violation (LOV) that were issued by OCD District 2 Office.

OCD is requesting that a corrective action work plan proposal (work plan) be submitted to the OCD District 2 Office for each of the sites, not later than **June 15, 2009**.

The work plans are to outline steps proposed to clean up, remediate, and/or haul off contaminated materials that may be present at these sites. The work plans are to be formulated based on vertical and horizontal delineation of contaminants, site ranking, and OCD Rules and Guidelines. Work plan approvals may be subject to like approval by Bureau of Land Management (BLM) in some instances.

A publication is available on the OCD website to aid in the remediation process, and site ranking. It may be located as follows:

www.emnrd.state.nm.us/ocd

Click on each of the items as they appear:

(1) Publications; (2) Environmental Handbook; (3) Miscellaneous Guidelines; (4) Remediation of Leaks, Spills and Releases



June 1, 2009

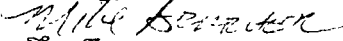
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Please include in the work plans any remedial work that may have already been performed at these sites.

Notify OCD 48 hours prior to obtaining samples where analyses of samples obtained are to be submitted to OCD.

If I can be of assistance, please contact me.

Sincerely,



Mike Bratcher

NMOCD District 2

1301 W. Grand Ave

Artesia, NM 88210

575-748-1283 Ext.108

mike.bratcher@state.nm.us

NOTE: This document was emailed to Quinton Welborn (qwelborn@valornet.com) on Friday, May 15, 2009. A delivery receipt was requested and received. A read receipt was requested and was not received.