



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

NOTICE OF VIOLATION

NOV No. 02-07-27

Response Required-Deadline Enclosed

November 13, 2007

Americo Energy Resources, LLC
Attn: Don Gray, Land Manager
7575 San Felipe St., Suite 200
Houston, Texas 77063

Re: Operator: Americo Energy Resources, LLC
OGRID: 228051
Facility: East Shugart Unit No. 015, API No. 30-015-05687, F-34-18S-31E
Violation: OCD Rule 19.15.3.116.D NMAC

Dear Operator:

On July 13, 2007, the Oil Conservation Division ("OCD") received Americo Energy Resources, LLC's, ("Americo") C-141 Release Notification and Corrective Action Form for a produced water and oil spill at the East Shugart Unit No. 015 injection well. Later that day, OCD Deputy Oil and Gas Inspector Gerry Guye sent Americo a letter acknowledging OCD's receipt of the C-141. Deputy Inspector Guye told Americo that by August 13, 2007, completion of remedial activities should be finalized and a final report summarizing all actions taken to mitigate environmental damage related to the leak, spill or release be provided to OCD for approval. Deputy Inspector Guye referred Americo to OCD Rule 19.15.3.116, which is the rule that governs release remediation. Deputy Inspector Guye informed Americo where it could find information and tools for proper corrective action.

On August 20, 2007, Deputy Inspector Guye sent Mr. Don Gray, Americo's Land Manager and the person who submitted the C-141, an email checking on the status of Americo's remediation plan. That same day, Mr. Gray sent an email response to Deputy Inspector Guye stating that there "wasn't a request" in Deputy Inspector Guye's email and if he could resend the request. On August 21, 2007, Deputy Inspector Guye sent Mr. Gray an email explaining that the attachment to his August 20 email included the July 13 letter notifying Americo of the required remediation plan. That same day, Mr. Gray sent Deputy Inspector Guye an email response stating that he would let him "know soonest as to what is being done."

Americo Energy Resources, LLC

Oil Conservation Division * 1220 South St. Francis Drive * Santa Fe, N
Phone: (505) 476-3440 * Fax (505) 476-3462 *

***Case 14079
OCD Exhibit No. 9***

Americo Energy Resources, L.L.C.

NOV 02-07-27

November 13, 2007

Page 3 of 3

operator or surety or both in accordance with division rules. If the order is not complied with in the time period set out in the order, the financial assurance shall be forfeited.

Thank you for your prompt attention to this matter.

Sincerely yours,



Daniel Sanchez
OCD Enforcement and Compliance Manager,

cc: Tim Gum, OCD District II Supervisor
Gerry Guyè, OCD District II Inspector
Sonny Swazo, Assistant General Counsel
John Bramhall, BLM

Duran-Saenz, Theresa, EMNRD

From: Duran-Saenz, Theresa, EMNRD
Sent: Tuesday, November 13, 2007 11:01 AM
To: Gum, Tim, EMNRD; Guye, Gerry, EMNRD; Swazo, Sonny, EMNRD; 'john_bramhall@blm.gov'
Subject: Emailing: 2007 11-13 NOV 2-07-27

Attachments: 2007 11-13 NOV 2-07-27.doc



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The message is ready to be sent with the following file or link attachments:

2007 11-13 NOV 2-07-27 .

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