



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Oil Conservation Division**

*Field Inspection Program*

*"Preserving the Integrity of Our Environment"*

12-May-04

**SAGA PETROLEUM LIMITED LIABILITY CO.**

415 W WALL STE 1900

MIDLAND TX 79701

**NOTICE OF VIOLATION - Inspection**

Dear Operator:

The following inspection(s) indicate that the well, equipment, location or operational status of the well(s) failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date(s) indicated.

Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

**INSPECTION DETAIL SECTION**

<b>ALLIED</b>	<b>No.002</b>	<b>M-22-20S-27E</b>	<b>30-015-32497-00-00</b>			
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
05/12/2004	Routine/Periodic	Mike Stubblefield	Yes	No	8/15/2004	iMCS0413339821
<b>Comments on Inspection:</b> Checked status of remediation actions taken to correct 212 bbl condensate release. No Actions have been taken as requested by past letter request. Violation of Rule 116.A Correction required. A Corrective action workplan is required with corrective action workplan attached. Remediation corrective actions required taken by 6/12/2004.						

' 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.

Sincerely,

*Mike Stillfield*

Artesia OCD District Office

**Note:** Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

\*Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.