

energy corporation-

August 4, 2005

Oil Conservation Division 1301 W. Grand Artesia, NM 88210

Attn: Chris Beadle

Re: 7/21/05 Notice of Violation

LP State #1; E-5-18S-28E; 30-015-31086

Chris:

In response to your letter dated 7/21/05, (copy attached), regarding the above referenced well, corrective actions have been taken and the well is now ready for re-inspection.

RECEIVED

AUG 0 5 2005 QCU-AMTERIA

If you have any questions or require further information, please don't hesitate to contact me.

Thank you for your help in this matter.

Sincerely,

13/4.20

Diana J. Briggs

Production Analyst



NEW MEXICO ENERGY, MINERALS NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop Cabinet Secretary JUL 25 2005

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

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AUG 0 5 2005 QUU-NATESIA

21-Jul-05

MARBOB ENERGY CORP

PO BOX 227 ARTESIA NM 88211

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

LP STATE No.001

Type Inspection

E-5-18S-28E

30-015-31086-00-00

Inspection

07/21/2005

Date

Comments on Inspection:

Inspector

Chris Beadle

Violation? Yes

*Significant Non-Compliance? No

Corrective Action Due By:

8/22/2005

Inspection No. iCLB0520250228

Violations

Surface Leaks/Spills

Routine/Periodic

Location needs minor attention. Equipment OK. Oil has escaped catch can on center tank of tank

battery impacting soil with light contamination. Oil standing in catch can risking further

contamination.

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 Divison 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,

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.