

NEW MEXICO ENERGY, MINERALS NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E. Director

Oil Conservation Division

Field Inspection theorem "เป็นเพียงเมื่อย เด้น มีประการเกา (การ มีการการเกาะเป

06-Oct-05

MACK ENERGY CORP **PO BOX 960** 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

DENTON FEDERAL No.001

P-21-18S-29E

30-015-03454-00-00

Inspection

Type Inspection

Inspector

Violation?

*Significant

Corrective

Date

Routine/Periodic

Non-Compliance?

Action Due By:

Inspection No.

10/06/2005

Chris Beadle

Yes

No

11/7/2005

iCLB0527939584

Violations

Surface Leaks/Spills

Comments on Inspection:

Tank battery has leaked, contaminated soils on west side of tanks. Contamination has flowed north across location and into drainage area on western side of location. Saturated soils at flow lines

along contamination path.

Remediation is required. Contact NMOCD District 2 Environmental Compliance Officer with site

ranking and remediation work plan.

Notify NMOCD District 2 Office 48 hours prior to any remediation work or prior to taking samples

where results of the samples may be submitted to OCD.

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.