



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

SUSANA MARTINEZ

Governor

John H. Bemis

Cabinet Secretary

Jami Bailey

Director

Oil Conservation Division

Response Required – Deadline Enclosed

Field Inspection Program

"Preserving the Integrity of Our Environment"

7007 2680 0001 6451 0793

21-Mar-13

KC RESOURCES INC

P.O. BOX 6749

SNOWMASS VILLAGE CO 81615

LETTER 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

JONES D No.005				L-18-18S-27E	30-015-20421-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.	
03/19/2013	Routine/Periodic	Mike Bratcher	Yes	Yes	4/5/2013	iMLB1308030497	
Comments on Inspection:		During a routine inspection of this well site, it was observed that the well appears to have been converted from a producing well to an injection well. After a review of OCD records, no application or approval for this conversion was found. Upon receipt of this Letter of Violation (LOV), the well is to be immediately shut in with the flow line drained, disconnected and blocked to avoid any inadvertent release of produced fluid. Within ten (10) days of receipt of this LOV, provide NMOCD copies of any paperwork that would show this conversion was made per NMOCD Rules and Guidelines. A copy of an approved injection permit will be required. In the event no contact is made with NMOCD after ten (10) days of receipt of this LOV, further enforcement action will proceed.					

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.

Sincerely,

Mike Bratcher

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.

STATE
OF
NEW MEXICO



OIL CONSERVATION
DIVISION
DISTRICT 2

ENERGY MINERALS & NATURAL
RESOURCES DEPARTMENT

MIKE BRATCHER

ENVIRONMENTAL SPECIALIST

811 S. FIRST STREET
ARTESIA, NEW MEXICO 88210

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CELLULAR: (575) 626-0857

FAX: (575) 748-9720

www.emnrd.state.nm.us

E-MAIL: Mike.Bratcher@state.nm.us

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> ☑ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ☑ Print your name and address on the reverse so that we can return the card to you. ☑ Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <i>xMa Klaut</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by <i>Ma Klaut</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>C. Date of Delivery <i>4/2/13</i></p>
<p>1. Article Addressed to:</p> <p>KC Resources P.O. Box 6749 Snowmass, CO 81615</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p> <p>3. Service type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number 7007 2680 0001 6451 0793 (Transfer from service label)</p>	
<p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540</p>	

RECEIVED
APR 12 2013
NMOCD ARTESIA

RECEIVED
APR 15 2013
NMOCD ARTESIA

UNITED STATES POSTAL SERVICE

03 APR 2013 PM 2 L

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Sender: Please print your name, address, and ZIP+4 in this box •

NMOCD
811 S. First Street
Artesia, NM 88210

RECEIVED
APR 08 2013
NMOCD ARTESIA

RECEIVED
APR 09 2013
NMOCD ARTESIA

