

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukup
Cabinet Secretary

Mark E. Fesmire,
Director
Oil Conservation Division

10-May-07

ROBINSON OIL INC
PO BOX 1829
EUNICE NM 88231

LOV NO. 0212107

Re: STATE HL 2 No.002 ULSTR: E-2-19S-29E 30-015-25070-00-00

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 re-inspect the well and/or facility.

On August 3rd, 2006, I happened upon the above listed well location and observed that there was oil flowing from the casing head of the well. There were two workers shoveling up the oil soaked soil into a wheelbarrow and hauling it into a pile at the edge of location. While I was there, the field foreman drove up and I spoke with him. He said that the spill just started that morning and they were cleaning up the site ASAP. I informed him that it was a good thing to resolve this spill right away and that he should have put a liner under where they were piling up the oil saturated soil. He informed me that they would be hauling off the contaminated soil as soon as they got the area cleaned up. I advised the foreman to submit a C-141 Release Notification and Corrective Action form to the OCD reporting the spill and the subsequent clean up that was being done.

Before I drove out to the location on May 25th, 2007, I checked the well file for the required paperwork and found none in the well file.

INSPECTION DETAIL SECTION

STATE HL 2 No.002

E-2-19S-29E

30-015-25070-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
04/23/2007	Routine/Periodic	Richard Inge	Yes	No	5/25/2007	iREI0711346498
Comments on Inspection: Contamination not cleaned up from last inspection. Pile of contaminated soil still on pad. Heavy oil contamination around well head. Found casing valve partially open and continuous blow of air coming from valve. Could be indication of leak in casing.						

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,

Richard Inge
Deputy Field Inspector
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.