

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop Cabinet Secretary Mark E. Fesmire, P.E.
Director

Oil Conservation Division

Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

18-Dec-09

ERS RESOURCES, LLC

C/O ORBIT PETROLEUM, INC. 251 O'CONNOR RIDGE BLVD, #265

2010.

IRVING TX 75038

LOVNO. 02-09-117

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.

Type Inspection		Inspector Kimberly Wilson	Violation?	H-24-18S-27E *Significant Non-Compliance?	30-015-00938-00-0 Corrective Action Due By:	Inspection No.
	Idle well, last pro	eduction 3/07, Viol	ation of NM	IAC 19.15.25.8 Opera	ator must return well to)
TETEV LINUT	2010.	A or submit P/A prod	cedure to O			·
IEIEA UNII	140.002			*Significant	Corrective	0
Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.\
)	Type Inspection Routine/Perion Inspection:	beneficial use, Ta	Type Inspection Inspector Routine/Periodic Kimberly Wilson on Inspection: Idle well, last production 3/07, Viole beneficial use, TA or submit P/A production 2010.	Type Inspection Inspector Violation? Routine/Periodic Kimberly Wilson Yes on Inspection: Idle well, last production 3/07, Violation of NM beneficial use, TA or submit P/A procedure to Oc 2010.	Type Inspection Inspector Violation? *Significant Non-Compliance? Routine/Periodic Kimberly Wilson Yes No non Inspection: Idle well, last production 3/07, Violation of NMAC 19.15.25.8 Oper beneficial use, TA or submit P/A procedure to OCD District II office n 2010. METEX UNIT No.002 G-24-18S-27E	Type Inspection Inspector Violation? Significant Non-Compliance? Action Due By: Routine/Periodic Kimberly Wilson Yes No 1/17/2010 in Inspection: Idle well, last production 3/07, Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than January 17 2010. METEX UNIT No.002 G-24-18S-27E 30-015-00939-00-0

INCORPORTAN DEMAN GEOMICA

ARTESIA I Inspection Date	METEX UNIT Type Inspection		Inspector	Violation?	B-24-18S-27E *Significant Non-Compliance?	30-015-00940-00- Corrective Action Due By:	00 Inspection No.
12/16/2009	Routine/Perio	odic	Kimberly Wilson	Yes	No	1/1/2010	iKMW0935147286
Comments	on Inspection:	Produced fluids	•		g across location, viol	ation of NMAC 19.15	.29.
		Operator must s	ubmit C-141 to OCE) District II	office no later than Jar	nuary 1, 2010.	
		Remediation and	d/or work plan may t	e required.			
ARTESIA I	METEX UNIT	No.006			K-24-18S-27E	30-015-00941-00-	00
Inspection Date	Type Inspection	1	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/16/2009	Routine/Perio		Kimberly Wilson		No.	•	iKMW0935227819
	on Inspection:		ation of NMAC 19.1	5.25.8 Oper	rator must return well to later than January 1	to beneficial use, TA	or
	METEX UNIT	No.016			M-24-18S-27E	30-015-00942-00-	00
Inspection Date	Type Inspection	1	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/16/2009	Routine/Perio		Kimberly Wilson		No.	•	iKMW0935227945
	on Inspection:		ation of NMAC 19.1:	5.25.8 Oper	ator must return well o later than January I	to beneficial use, TA	
ARTESIA N	METEX UNIT	No.008			I-24-18S-27E	30-015-00944-00-0	00
Inspection	Type Inspection		Inspector	Violation?	*Significant	Corrective	Inspection No.
Date 12/16/2009	Routine/Perio		Kimberly Wilson		Non-Compliance?	Action Due By: 1/17/2010	iKMW0935227739
Comments	on Inspection:				rator must return well o later than January 1	to beneficial use, TA 7, 2010 for approval.	or
ARTESIA N Inspection Date	METEX UNIT Type Inspection		Inspector	Violation?	L-24-18S-27E *Significant Non-Compliance?	30-015-00945-00-0 Corrective Action Due By:	OO Inspection No.
12/17/2009	Routine/Perio	dic	Kimberly Wilson	Yes	No	•	iKMW0935148994
Comments of	on Inspection:					perator must return we o later than January 17	
ARTESIA N	IETEX UNIT	No.018			N-24-18S-27E	30-015-00946-00-0	00
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective	Inspection No.
12/17/2009	Routine/Period		Kimberly Wilson	Yes	Non-Compnance:	Action Due By: 1/17/2010	KMW0935149358
	n Inspection:	Idle well, last pro	oduction 11/2006, V	iolation of I	NMAC 19.15.25.8 Op	perator must return we to later than January 17	ll to
ARTESIA M	IETEX UNIT	No.017			N-24-18S-27E	30-015-00947-00-0	00
Inspection Date	Type Inspection		Inspector	Violation?	*Significant	Corrective	Inspection No.
12/17/2009	Routine/Period	tic	Kimberly Wilson	Yes	Non-Compliance? No	Action Due By: 1/17/2010 i	KMW0935149217
	n Inspection:	Idle well, last pro	oduction 3/2007. Vio	olation of NI	MAC 19.15.25.8 Ope	erator must return well o later than January 17	to
ARTESIA M	ETEX UNIT	No.027			D-25-18S-27E	30-015-00951-00-0	0
ARTESIA M Inspection Date	ETEX UNIT	No.027	Inspector	Violation?	D-25-18S-27E *Significant Non-Compliance?	30-015-00951-00-0 Corrective Action Due By:	O Inspection No.

Comments on Inspection: Idle Well. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than January, 17, 2010 for approval.

Kimberly Wilson

12/17/2009 Routine/Periodic

Yes

No

1/17/2010

iKMW0935133369

ARTESIA METEX UNIT No.036 E-25-18S-27E 30-015-00952-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: iKMW0935133997 12/17/2009 Routine/Periodic Kimberly Wilson 1/17/2010 Yes No Idle Well, Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or Comments on Inspection: submit P/A procedure to OCD District II office no later than January 17, 2010 for approval. 30-015-00962-00-00 ARTESIA METEX UNIT No.026 A-26-18S-27E Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Action Due By: Date Non-Compliance? 12/17/2009 Routine/Periodic Kimberly Wilson Yes No 1/17/2010 iKMW0935131434 Comments on Inspection: Idle Well. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than January 17, 2010 for approval. ARTESIA METEX UNIT No.035 H-26-18S-27E 30-015-00963-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 12/17/2009 iKMW0935132912 Routine/Periodic Kimberly Wilson Yes 1/17/2010 No Comments on Inspection: Idle Well. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than Janauary 17, 2010 for approval **ARTESIA METEX UNIT No.051** P-26-18S-27E 30-015-00966-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 12/17/2009 Routine/Periodic Kimberly Wilson Yes No 1/17/2010 iKMW0935135794 Idle Well. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or Comments on Inspection: submit P/A procedure to OCD District II office no later than January 17, 2010 for approval. ARTESIA METEX UNIT No.055 B-35-18S-27E 30-015-00986-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 12/17/2009 Routine/Periodic Kimberly Wilson Yes iKMW0935135373 No 1/17/2010 Idle Well. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or Comments on Inspection: submit P/A procedure to OCD District II office no later than January 17, 2010 for approval. ARTESIA METEX UNIT No.056 A-35-18S-27E 30-015-00987-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 12/17/2009 Routine/Periodic Kimberly Wilson Yes iKMW0935135606 No 1/17/2010 Comments on Inspection: Idle Well. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than January 17, 2010. ARTESIA METEX UNIT No.057 D-36-18S-27E 30-015-00990-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: Kimberly Wilson iKMW0935136102 12/17/2009 Routine/Periodic Yes Comments on Inspection: Idle Well. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than January 2010 for approval. ARTESIA METEX UNIT No.058 C-36-18S-27E 30-015-00991-00-00 Inspection *Significant Corrective **Type Inspection** Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 12/17/2009 Routine/Periodic Kimberly Wilson Yes 1/17/2010 iKMW0935136310 Comments on Inspection: Idle Well. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than January 17, 2010 for approval. ARTESIA METEX UNIT No.044 I-26-18S-27E 30-015-01190-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: iKMW0935134257 12/17/2009 Routine/Periodic Kimberly Wilson Yes 1/17/2010 Idle Well. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or Comments on Inspection: submit P/A procedure to OCD District II office no later than January 17, 2010 for approval.

	METEX UNIT	No.050			O-26-18S-27E	30-015-01191-00-	00
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/17/2009	Routine/Perio		Kimberly Wilson	Yes	No	•	iKMW0935135065
Comments	on Inspection:				rator must return well no later than January 1	to beneficial use, TA of 7, 2010 for approval.	or
Inspection	METEX UNIT		1	W: J. d 9	B-25-18S-27E *Significant	30-015-01194-00- Corrective	OO Inspection No.
Date 12/17/2009	Type Inspection Routine/Perio		Inspector Kimberly Wilson	Violation? Yes	Non-Compliance?	Action Due By: 1/17/2010	iKMW0935130686
	on Inspection:		-				
					to later than January 1	to beneficial use, TA of 7, 2010 for approval.	
	METEX UNIT	No.019			O-24-18S-27E	30-015-01195-00-0	00
Inspection Date	Type Inspection	1	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/17/2009	Routine/Perio		Kimberly Wilson		No	•	KMW0935149690
Comments	on Inspection:	Idle well, last pr	roduction 3/2007, V	iolation of I	NMAC 19.15.25.8 Op	perator must return we o later than January 20	l to
ARTESIA N	METEX UNIT				P-24-18S-27E	30-015-01196-00-0	
Inspection Date	Type Inspection	1	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/16/2009	Routine/Perio		Kimberly Wilson		No	•	KMW0935227885
Comments	on Inspection:	Idle Well. Viola	ation of NMAC 19.15	5.25,8 Oper	_	to beneficial use, TA o	
ARTESIA N	METEX UNIT				J-24-18S-27E	30-015-01197-00-0	00
Inspection Date	Type Inspection	1	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/17/2009	Routine/Perio	dic	Kimberly Wilson	Yes	No	1/17/2010	KMW0935148625
Comments	on Inspection:					ator must return well to o later than January 17	
ARTESIA N	METEX UNIT	No.004			E-19-18S-28E	30-015-01944-00-0	0
Inspection	Type Inspection		Inspector	Violation?	*Significant	Corrective	Inspection No.
Date 12/17/2009	Routine/Perio		Kimberly Wilson	Yes	Non-Compliance?	Action Due By: 1/17/2010 i	Inspection No. KMW0935150012
	on Inspection:		•		No C 19.15.25.8 Operato		KIVI W 0933130012
Connectes	m mspection.					o later than January 17	,
ARTESIA M	METEX UNIT	No.061			A-25-18S-27E	30-015-21874-00-0	0
Inspection Date	Type Inspection		Inspector	Violation?	*Significant	Corrective	Inspection No.
12/17/2009	Routine/Period		Kimberly Wilson	Yes	Non-Compliance? No	Action Due By: 1/17/2010 i	KMW0935131008
		Idle Well. Viola	tion of NMAC 19.15	.25.8 Opera		o beneficial use, TA o	
ARTESIA M	IETEX UNIT				H-25-18S-27E	30-015-27192-00-0	0
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/17/2009	Routine/Period	lic	Kimberly Wilson	Yes	No	_	KMW0935130292
	n Inspection:	Idle Well. Viola	•				

ARTESIA METEX UNIT No.065

F-25-18S-27E

30-015-27193-00-00

Inspection Date

Type Inspection

Inspector

M. Wilsen

*Significant
Violation? Non-Compliance?

Corrective ? Action Due By:

Inspection No.

12/17/2009 Routine/Periodic

Kimberly Wilson

No

1/17/2010

7/2010 iKMW0935133673

Comments on Inspection:

Idle Well. Violation of NMAC 19.15.25.8 Operator must return well to beneficial use, TA or submit P/A procedure to OCD District II office no later than January 17, 2010 for approval.

Yes

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown

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.