



NEW MEXICO ENERGY NATURAL RESOURCES

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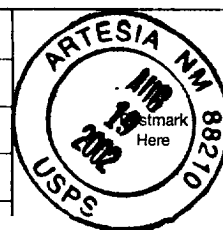
19 August 2002

Via Certified Mail

H. W. Pace
P.O. Box 588
Artesia, New Mexico 88210

7001 1940 0001 9971 3388

Postage	\$
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Sent to H W PACE
PO BOX 588
Artesia NM 88210

PS Form 3800, January 2001

See Reverse for Instructions

RE: NOTICE OF VIOLATION: NMOCB Rule 202.B
H. W. Pace
Pat State # 1 P-30-10-27 API# 30-005-60590

FAILURE TO CLEAN LOCATION

Dear Sirs:

This letter shall serve as a Notice of Violation of the rules of the New Mexico Oil Conservation Division.

You were notified of this matter by letters dated 11-15-1997, 2-18-2002, and 4-12-2002. An inspection on 8-5-2002 found no work had been done. There is still an open pit, miscellaneous junk, and a tank on location. This certified letter is being sent in part because all of the foregoing directives have brought no response.

Rule 202.B of the New Mexico Oil Conservation Division provides as follows:

202.B. PLUGGING

- (1) Before any well is abandoned, it shall be plugged in a manner which will permanently confine all oil, gas and water in the separate strata in which they are originally found. This may be accomplished by using mud-laden fluid, cement and plugs singly or in combination as approved by the Division on the notice of intention to plug. [1-1-50...2-1-96]
- (2) The operator shall mark the exact location of plugged and abandoned wells with a steel marker not less than four inches (4") in diameter set in cement and extending at least four feet (4') above mean ground level. The operator name, lease name and well number and location, including unit letter, section, township and range, shall be welded, stamped or otherwise permanently engraved into the metal of the marker. No permanent structures preventing access to the wellhead shall be built over a plugged and abandoned well without written approval of the OCD. No plugged and abandonment marker shall be removed without the written permission of the OCD. [1-1-50...2-1-96; A, 3-31-00]
- (3) As soon as practical but no later than one year after the completion of plugging operations, the operator shall:
 - (a) fill all pits;
 - (b) level the location;
 - (c) remove deadmen and all other junk; and
 - (d) take such other measures as are necessary or required by the Division to restore the location to a safe and clean condition. [7-12-90...2-1-96]
- (4) Upon completion of plugging and clean up restoration operations as required, the

operator shall contact the appropriate district office to arrange for an inspection of the well and location. [7-12-
)...
2-1-96]

(5) Below-ground plugged and abandonment markers can be used only with written permission of the OCD when an above-ground marker would interfere with agricultural endeavors. The below-ground marker shall have a steel plate welded onto the surface or conductor pipe of the abandoned well and shall be at least 3 feet below the ground surface and of sufficient size so that all the information required by Rule 103 can be stenciled into the steel or welded onto the surface of the steel plate. The OCD may require a re-survey of the well location. [3-31-00]

On order to comply with this directive, you must cause the pit to be filled and leveled, remove the tank and all other equipment and junk, and otherwise level and clean the location.

In the event that you have not complied with this directive by 20 September, 2002 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. Such a hearing may result in imposition of **CIVIL PENALTIES** for your violation of OCD rules.

Respectfully yours,

Tim Gum, District Supervisor, District II
cc: OCD Legal