



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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Oil Conservation Division

Field Inspection Program

"Preserving the Integrity of Our Environment"

29-Oct-01

G P II ENERGY INC

PO BOX 50682

MIDLAND, TX 79710-

Dear Operator:

The following inspection(s) indicate one or more violations as described in the detail section below. The inspection(s) indicates that the well, equipment, location or operational status failed to meet standards of the New Mexico Oil Conservation Division. 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 below 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.

Please notify the proper district office of the Division 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

NORTH SQUARE LAKE UNIT 022

D-29-16S-31E

30-015-04905-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/19/2001	Routine/Periodic	Mike Bratcher	Yes	No	11/29/01	MLB013028315

Comments on Inspection: Idle Well. Violation Rule 201.

NORTH SQUARE LAKE UNIT 058

L-29-16S-31E

30-015-04918-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/19/2001	Routine/Periodic	Mike Bratcher	Yes	No	11/29/01	MLB013028408

Comments on Inspection: Idle Well. Violation Rule 201. — OK closed Comp mod

NORTH SQUARE LAKE UNIT 020

B-30-16S-31E

30-015-04936-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
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10/19/2001 Routine/Periodic Mike Bratcher Yes No 11/29/01 MLB013028283

Comments on Inspection: Idle Well. Violation Rule 201.

NORTH SQUARE LAKE UNIT 003 J-19-16S-31E 30-015-20183-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/19/2001	Routine/Periodic	Mike Bratcher	Yes	No	11/29/01	MLB013028267

Comments on Inspection: Idle Well. Violation Rule 201. *-OK closed camp well*

NORTH SQUARE LAKE UNIT 072 4-30-16S-31E 30-015-20554-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/19/2001	Routine/Periodic	Mike Bratcher	Yes	No	11/29/01	MLB013028201

Comments on Inspection: Well sign lists well name as Loe #9. Violation Rule 103. *OK closed camp well*

NORTH SQUARE LAKE UNIT 033 2-30-16S-31E 30-015-20701-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/19/2001	Routine/Periodic	Mike Bratcher	Yes	No	11/29/01	MLB013028219

Comments on Inspection: Idle Well. Violation Rule 201.

Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infrastructure of the oil and gas industry.

Sincerely,

Oil Conservation Division, District II

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.

10/1/2001 Routine/Periodic Mike Bratcher Yes No 11/2/2001 MLB012744996

Comments on Inspection: Well sign lists wrong well name. (Johnson A Fed #3) Violation Rule 103.

NORTH SQUARE LAKE UNIT 111 B-33-16S-31E 30-015-04979-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/01/2001	Routine/Periodic	Mike Bratcher	Yes	No	1/2/2002	MLB012744886

Comments on Inspection: Abandoned well. Violation Rule 201. Wells to be properly abandoned.

HUSTATE 002 L-36-16S-31E 30-015-05018-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/01/2001	Routine/Periodic	Mike Bratcher	Yes	No	10/2/2001 11/2/2001	MLB012744675

Comments on Inspection: Well sign illegible. Violation Rule 103 requiring well signs to contain specific information and be legible from a distance of 50 ft.

NORTH SQUARE LAKE UNIT 114 C-34-16S-31E 30-015-10271-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/01/2001	Routine/Periodic	Mike Bratcher	Yes	No	11/2/2001	MLB012744799

Comments on Inspection: Well sign has wrong operator, wrong well name and wrong location numbers. Violation Rule 103.

10/02/2001	Routine/Periodic	Mike Bratcher	Yes	No	11/2/2001	MLB012753042
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Comments on Inspection: Oil leak at well head. Violation Rule 116 and Rule 13B.

NORTH SQUARE LAKE UNIT 115 B-34-16S-31E 30-015-10273-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/01/2001	Routine/Periodic	Mike Bratcher	Yes	No	11/2/2001	MLB012744838

Comments on Inspection: No Well Sign. Violation Rule 103.

NORTH SQUARE LAKE UNIT 162 O-31-16S-31E 30-015-24457-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/01/2001	Routine/Periodic	Mike Bratcher	Yes	No	11/2/2001	MLB012745240

Comments on Inspection: Well sign lists wrong well name. (Grier Fed #18) Violation Rule 103.

NORTH SQUARE LAKE UNIT 078 O-30-16S-31E 30-015-24458-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/01/2001	Routine/Periodic	Mike Bratcher	Yes	No	11/2/2001	MLB012745170

Comments on Inspection: Well sign lists wrong well name. (Grier Fed #19) Violation Rule 103.

NORTH SQUARE LAKE UNIT 124 C-31-16S-31E 30-015-24580-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
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