

NEW MEXICO ENERGY, MINERALS NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Field Inspection Program

ving the Integrity of Our Environment"

19-Jul-05

ERS RESOURCES, LLC

1001 FM 1929

VOSS TX 76888

NOTICE 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.

r		en e	INSPECTION	ON DETAIL	SECTION		
ARTESIA I Inspection Date	METEX UNIT Type Inspection		Inspector	Violation?	K-24-18S-27E *Significant Non-Compliance?	30-015-00941-00- Corrective Action Due By:	00 Inspection No.
07/19/2005	Pre-Operation		Gerry Guye	Yes	No	10/22/2005	iGEG0520036910
Comments	on Inspection:		presentative or equending reschedule.	ipment to accon	aplish MIT test. Well	must be shut in and	en de la companya de La companya de la co
ARTESIA I Inspection Date	METEX UNIT		Inspector	Violation?	M-24-18S-27E *Significant Non-Compliance?	30-015-00942-00- Corrective Action Due By:	00 . Inspection No.
07/19/2005	Pre-Operation		Gerry Guye	Yes	No	10/22/2005	iGEG0520037025
Comments	on Inspection:		presentative or equending reschedule.	ipment to accon	nplish MIT test. Well	must be shut in and	
ARTESIA N Inspection Date	METEX UNIT	i tarit e est T	Inspector	Violation?	I-24-18S-27E *Significant Non-Compliance?	30-015-00944-00- Corrective Action Due By:	00 Inspection No.
07/19/2005	Pre-Operation	100	Gerry Guye	Yes	No	10/22/2005	iGEG0520037101
Comments (on Inspection:		presentative or equending reschedule.	ipment to accon	nplish MIT test. Well	must be shut in and	

ARTESIA METEX UNIT No.040 H-25-18S-27E 30-015-00954-00-00 Inspection *Significant Corrective Inspector Violation? Action Due By: Inspection No. Type Inspection Non-Compliance? Date 10/22/2005 iGEG0520037160 07/19/2005 Pre-Operation Gerry Guye Yes No Comments on Inspection: No Company Representative or equipment to accomplish MIT test. Well must be shut in and remain shut in pending reschedule. ARTESIA METEX UNIT No.054 O-25-18S-27E 30-015-00956-00-00 *Significant Corrective Inspection Type Inspection Inspector Violation? Non-Compliance? Action Due By: Inspection No. Date 07/19/2005 **Pre-Operation** Gerry Guye Yes No 10/22/2005 iGEG0520037205 Comments on Inspection: No Company Representative or equipment to accomplish MIT test. Well must be shut in and remain shut in pending reschedule. L-25-18S-27E 30-015-00959-00-00 **ARTESIA METEX UNIT No.045** Inspection Corrective *Significant Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: **Pre-Operation** Yes No 10/22/2005 iGEG0520037247 07/19/2005 Gerry Guye Comments on Inspection: No Company Representative or equipment to accomplish MIT test. Well must be shut in and remain shut in pending reschedule. **ARTESIA METEX UNIT No.052** M-25-18S-27E 30-015-00960-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 07/19/2005 Pre-Operation Gerry Guye Yes No 10/22/2005 iGEG0520037308 Comments on Inspection: No Company Representative or equipment to accomplish MIT test. Well must be shut in and remain shut in pending reschedule. **ARTESIA METEX UNIT No.035** H-26-18S-27E 30-015-00963-00-00 Inspection *Significant Corrective Violation? Type Inspection Inspector Inspection No. Non-Compliance? Action Due By: Date Pre-Operation 07/19/2005 Yes iGEG0520037473 Gerry Guye No 10/22/2005 Comments on Inspection: No Company Representative or equipment to accomplish MIT test. Well must be shut in and remain shut in pending reschedule. **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: 07/19/2005 Pre-Operation Yes Gerry Guye No 10/22/2005 iGEG0520037533 Comments on Inspection: No Company Representative or equipment to accomplish MIT test. Well must be shut in and remain shut in pending reschedule. **ARTESIA METEX UNIT No.058** C-36-18S-27E 30-015-00991-00-00 Inspection *Significant Corrective Type Inspection Date Inspector Violation? Non-Compliance? Action Due By: Inspection No. 07/19/2005 Pre-Operation Gerry Guye Yes No 10/22/2005 iGEG0520037584 Comments on Inspection: No Company Representative or equipment to accomplish MIT test. Well must be shut in and remain shut in pending reschedule. **ARTESIA METEX UNIT No.020** P-24-18S-27E 30-015-01196-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Date Inspection No. Non-Compliance? Action Due By: 07/19/2005 Pre-Operation Gerry Guye Yes 10/22/2005 No iGEG0520037708 Comments on Inspection: No Company Representative or equipment to accomplish MIT test. Well must be shut in and remain shut in pending reschedule. **ARTESIA METEX UNIT No.012** K-19-18S-28E 30-015-01964-00-00 Inspection *Significant Corrective Type Inspection Date Inspector Violation? Inspection No. Non-Compliance? **Action Due By:** 07/19/2005 Pre-Operation Gerry Guye Yes 10/22/2005 No iGEG0520037762 Comments on Inspection: No Company Representative or equipment to accomplish MIT test. Well must be shut in and remain shut in pending reschedule.

THE

E-30-18S-28E ARTESIA METEX UNIT No.041 30-015-02136-00-00 Inspection *Significant Corrective Violation? Type Inspection Inspector Inspection No. Date Non-Compliance? Action Due By: 07/19/2005 10/22/2005 **Pre-Operation** Gerry Guye Yes No iGEG0520045470 Comments on Inspection: No Company Representative or equipment to accomplish test. Well must be shut in and remain shut in pending reschedule. **ARTESIA METEX UNIT No.032** C-30-18S-28E 30-015-02140-00-00 Inspection *Significant Corrective Type Inspection Violation? Inspector Inspection No. Date Non-Compliance? Action Due By: 07/19/2005 Pre-Operation Yes 10/22/2005 Gerry Guye No iGEG0520037844 Comments on Inspection: No Company Representative or equipment to accomplish MIT test. Well must be shut in and remain shut in pending reschedule. K-30-18S-28E ARTESIA METEX UNIT No.049 30-015-02141-00-00 *Significant Inspection Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By:

No Company Representative or equipment to accomplish MII test. Well must be shut in and

No

Yes

10/22/2005

iGEG0514050141

remain shut in pending reschedule.

Gerry Guye

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,

07/19/2005

Pre-Operation

Artesia OCD District Office

Comments on Inspection:

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.



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Director

Oil Conservation Division

Underground Injection Control Program

"Protecting Our Underground Sources of Drinking Water"

24-May-2005

Copy of original

225298

ERS RESOURCES, LLC PO BOX 1502 CARLSBAD NM 88221-1502

Dear Sirs:

Our records indicate that the following well(s) are due for the type of mechanical integrity test indicated. If the required test is a pressure test, please have the necessary equipment on location and ready to commence the test at the specified time. For all types of tests, please have a representative on location to operate any valves or other equipment as necessary. Your representative should meet our inspector at the meeting place indicated below for the entire inspection group.

Scheduled Inspections / MITs

	Meeting Place for this Inspection Group: Artesia Metex Ut #12							
Scheduled Date: 7/19/2005 8:30:00 AM								
UL S-T-R	API Well No.	Well No.	Type Insp/MIT					
Property Name: ARTESIA METE	X UNIT							
I 24 18S 27E	30-015-00944-00-00	008	Pressure Test					
K 24 18S 27E	30 -015-00941-00- 00	006	Pressure Test					
M 24 18S 27E	30-015-00942-00-00	016	Pressure Test					
P 24 18S 27E	30-015- 0 1196 -00 -00	020	Pressure Test					
H 25 18S 27E	30-015-00954-00-00	040	Pressure Test					
L 25 18S 27E	30-015-00959-00-00	045	Pressure Test					
M 25 18S 27E	30-015- 00 960-00-00	052	Pressure Test					
O 25 18S 27E	30-015 -00 956 -00 -00	054	Pressure Test					
H 26 18S 27E	30-015-00963-00-00	035	Pressure Test					
A 35 18S 27E	30-015-00987-00-00	056	Pressure Test					
C 36 18S 27E	30-015-00991-00-00	058	Pressure Test					
K 19 18S 28E	30-015- 0 1964-00-00	012	Pressure Test					
C 30 18S 28E	30-015- 0 2140-00-00	032	Pressure Test					
E 30 18S 28E	30-015-02136-00-00	041	Pressure Test					
K 30 18S 28E	30-015-02141-00-00	049	Pressure Test					