30.005. 60248

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna

Cabinet Secretary

Mark E. Fesmire,
Director
Oil Conservation

21-Feb-08

TIPTON OIL & GAS ACQUISITIONS, INC. P.O. BOX 1597 LOVINGTON NM 88260

ORBIT PETROLEUM, INC.

1131 E. BRITTON RD

OKLAHOMA CITY OK 73131

1.0V NO. 02-08-032

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.

INSPECTION DETAIL SECTION

TWIN LAKES SAN ANDRES UNIT No.054

D-1-9S-28E

30-005-00349-00-00

Inspection Date

Type Inspection

Violation?

*Significant Non-Compliance? Corrective
Action Due By:

Inspection No.

02/21/2008 Pre-Operation (MIT

Inspector Richard Inge

Yes

No

3/5/2008

iREI0805234557

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "...The injection well operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

DOUBLE L OUEEN UNIT No.0011

L-31-14S-30E

30-005-20307-00-00 Corrective

Inspection Date

Type Inspection

Inspector Richard Inge Violation? Yes *Significant Non-Compliance?

Action Due By: 3/5/2008

Inspection No. iREI0805232527

02/21/2008 Pre-Operation (MIT Comments on Inspection: Violat

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

DOUBLE L QUEEN UNIT No.002H

E-31-14S-30E

30-005-20308-00-00

Inspection Date

02/21/2008

Type Inspection

Pre-Operation (MIT

Inspector

*Significant Violation? Non-Compliance? Corrective

Action Due By:

Inspection No.

Richard Inge

Yes

No

3/5/2008

iREI0805232620

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.035

K-36-8S-28E

30-005-60026-00-00 Corrective

Inspection Date 02/21/2008

Type Inspection Pre-Operation (MIT Inspector Richard Inge Violation? Yes

*Significant Non-Compliance? No

Action Due By: Inspection No. 3/5/2008

iREI0805232294

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.034

Type Inspection

L-36-8S-28E *Significant Violation? Non-Compliance? 30-005-60033-00-00 Corrective

Date 02/21/2008

Inspection

Pre-Operation (MIT

Inspector Richard Inge

Yes

No

Action Due By: 3/5/2008

Inspection No. iREI0805234257

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.017

C-36-8S-28E

30-005-60039-00-00 Corrective

Inspection Date

02/21/2008

Type Inspection

Inspector Richard Inge Violation? Yes

*Significant Non-Compliance?

Action Due By: 3/5/2008

Inspection No. iREI0805233917

02/21/2008 Pre-Operation (MIT Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

DOUBLE L QUEEN UNIT No.001K

Inspection Date

Type Inspection Inspector Pre-Operation (MIT Richard Inge Violation? Yes

*Significant Non-Compliance?

A-1-15S-29E

30-005-60078-00-00 Corrective Action Due By:

3/5/2008

Inspection No.

iREI0805232574

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

DOUBLE L OUEEN UNIT No.004G

G-36-14S-29E

30-005-60080-00-00

Inspection Date

02/21/2008

Type Inspection Pre-Operation (MIT Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

iREI0805232956

Comments on Inspection:

Richard Inge

Yes

No

3/5/2008

Inspection No.

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

DOUBLE L QUEEN UNIT No.001H

N-25-14S-29E

30-005-60127-00-00 Corrective

Inspection Date

02/21/2008

Type Inspection Pre-Operation (MIT Inspector Richard Inge Violation? Yes

Non-Compliance? No

*Significant

Action Due By: 3/5/2008

Inspection No. 1REI0805232461

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.074

K-1-9S-28E

30-005-60248-00-00

Inspection Date 02/21/2008

Type Inspection Pre-Operation (MIT

Inspector Richard Inge Violation? Yes

*Significant Non-Compliance? No

Corrective Action Due By: 3/5/2008

Inspection No. iREI0805234893

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.046

O-36-8S-28E

30-005-60291-00-00

Inspection Date 02/21/2008

Inspection

Date

02/21/2008

Type Inspection Pre-Operation (MIT Violation?

*Significant Non-Compliance? No

Corrective Action Due By: 3/5/2008

Inspection No. iREI0805234388

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Yes

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.055

C-1-9S-28E

30-005-60297-00-00

Type Inspection Pre-Operation (MIT

Inspector Richard Inge

Inspector

Richard Inge

Violation? Yes

*Significant Non-Compliance? No

Corrective Action Due By: 3/5/2008

Inspection No.

iREI0805234602

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

E-36-8S-28E

30-005-60334-00-00

Inspection Date Type Inspection

Inspector Richard Inge Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No. iREI0805234105

Comments on Inspection:

02/21/2008

Pre-Operation (MIT Yes No

3/5/2008

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed.'

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.027

G-36-8S-28E *Significant 30-005-60521-00-00 Corrective

Inspection Type Inspection Date 02/21/2008 Pre-Operation (MIT

Inspector Richard Inge Violation? Yes

Non-Compliance? Action Due By: 3/5/2008 No

Inspection No. iREI0805234159

Comments on Inspection:

Violation of NMOCD Rule 19.15.9,704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.013

M-30-8S-29E

30-005-60558-00-00

Inspection Date Type Inspection 02/21/2008 Pre-Operation (MIT

Inspector Richard Inge

*Significant Violation? Non-Compliance? Yes No

Corrective Action Due By: 3/5/2008

Inspection No. iREI0805233825

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.019

A-36-8S-28E

30-005-60560-00-00

Inspection Date 02/21/2008

Inspection

Date

02/21/2008

Type Inspection Inspector Pre-Operation (MIT Richard Inge Violation? Yes

Significant Non-Compliance?

Corrective Action Due By: 3/5/2008

Inspection No. iREI0805233957

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed.'

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.011

Type Inspection

O-25-8S-28E *Significant 30-005-60563-00-00 Corrective

Inspector

Richard Inge

Violation? Yes

Non-Compliance? No

Action Due By: 3/5/2008

Inspection No.

iREI0805233777

Pre-Operation (MIT Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

I-25-8S-28E

30-005-60579-00-00

Inspection *Significant Corrective Violation? Non-Compliance? Action Due By: Date Type Inspection Inspector 02/21/2008 Pre-Operation (MIT Richard Inge Yes 3/5/2008

are to be commenced in order that such tests may be witnessed."

Inspection No. iREI0805233602

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

operator shall advise the division of the date and time any initial, five-year or special tests

KUCHEMANN No.002

E-30-8S-29E

30-005-60580-00-00

Inspection *Significant Corrective Non-Compliance? Action Due By: Inspection No. Date Type Inspection Inspector Violation? iREI0805233002 02/21/2008 Pre-Operation (MIT Richard Inge 3/5/2008 Yes No

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.006

K-30-8S-29E

30-005-60596-00-00

*Significant Corrective Inspection Date Violation? Non-Compliance? Action Due By: Inspection No. Type Inspection Inspector iREI0805233672 Richard Inge Yes 02/21/2008 Pre-Operation (MIT No 3/5/2008

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.009

30-005-60598-00-00 M-25-8S-28E

Inspection Significant Corrective Type Inspection Inspector Violation? Non-Compliance? Action Due By: Inspection No. Date Pre-Operation (MIT Richard Inge iREI0805233720 02/21/2008 Yes No 3/5/2008

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.002

K-25-8S-28E 30-005-60648-00-00 *Significant Corrective

Inspection Date Type Inspection Inspector Violation? Non-Compliance? Action Due By: Inspection No. 02/21/2008 Pre-Operation (MIT Richard Inge iRE10805236097 Yes No 3/5/2008

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

C-31-8S-29E *Significant 30-005-60658-00-00 Corrective

Inspection Date Typ

02/21/2008

Inspection Date

02/21/2008

Type Inspection

Inspector Richard Inge Violation?

Non-Compliance?

Action Due By: 3/5/2008

Inspection No. iREI0805234003

Comments on Inspection:

Pre-Operation (MIT Richard Inge Yes No 3/5/2008

In Inspection: Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "...The injection well operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.040

Pre-Operation (MIT

K-31-8S-29E *Significant

30-005-60696-00-00 Corrective

Type Inspection

Inspector Violation? Richard Inge Yes

Non-Compliance?

Action Due By: Inspection No. 3/5/2008 REI0805234299

Comments on Inspection:

(MIT Richard Inge Yes No 3/5/2008 Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "...The injection well operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.091

B-12-9S-28E

30-005-60790-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance? Corrective Action Due By:

Inspection No.

iREI0805235140

02/21/2008 Pre-Operation (MIT Comments on Inspection: Violat

(MIT Richard Inge Yes No 3/5/2008 Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "...The injection well operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.086

P-1-9S-28E 30-0

30-005-60794-00-00

Inspection Date

Type Inspection
Pre-Operation (MIT

Inspector

Violation? Yes *Significant Non-Compliance? No Corrective Action Due By:

Inspection No. iREI0805235061

02/21/2008 Pre-Opera Comments on Inspection: (MIT Richard Inge Yes No 3/5/2008 Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "...The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.032

G-31-8S-29E

30-005-60795-00-00 Corrective

Inspection Date

Type Inspection

Inspector Richard Inge Violation? Yes *Significant Non-Compliance? No

Action Due By: 3/5/2008

Inspection No. iREI0805234213

02/21/2008 Pre-Operation (MIT Comments on Inspection: Violat

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "...The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

O-31-8S-29E *Significant 30-005-60796-00-00 Corrective

Inspection Date Type Inspection

02/21/2008

Inspection

Date

02/21/2008

Inspector Pre-Operation (MIT Richard Inge

Inspector

Inspector

Richard Inge

Violation? Non-Compliance? Yes No

Action Due By: 3/5/2008

Inspection No. iREI0805234436

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.059

Type Inspection

C-6-9S-29E

30-005-60807-00-00

*Significant Non-Compliance?

No

No

Corrective Action Due By:

Inspection No. iREI0805234688

Comments on Inspection:

Pre-Operation (MIT Richard Inge Yes 3/5/2008 Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Violation?

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.076

Pre-Operation (MIT

I-1-9S-28E

30-005-60809-00-00

3/5/2008

Inspection Date

02/21/2008

Type Inspection

Violation? Yes

*Significant Corrective Non-Compliance? Action Due By:

Inspection No. iREI0805234931

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.043

L-32-8S-29E *Significant 30-005-60829-00-00 Corrective

Inspection Type Inspection Date 02/21/2008 Pre-Operation (MIT

Inspector Richard Inge Violation? Yes

Non-Compliance? No

Action Due By: 3/5/2008

Inspection No. iREI0805234346

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.070

G-6-9S-29E

30-005-60885-00-00 Corrective

Inspection Date 02/21/2008

Type Inspection Pre-Operation (MIT Inspector Richard Inge Violation? Yes

*Significant Non-Compliance? No

Action Due By: 3/5/2008

Inspection No. iREI0805234854

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

TWIN LAKES SAN ANDRES UNIT No.061 A-6-9S-29E 30-005-60920-00-00 Inspection *Significant Corrective Date Type Inspection Inspector Violation? Non-Compliance? Action Due By: Inspection No. iREI0805234728 02/21/2008 Pre-Operation (MIT Richard Inge Yes 3/5/2008 Comments on Inspection: Violation of NMOCD Rule 19.15.9,704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed." Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date. TWIN LAKES SAN ANDRES UNIT No.052 30-005-60961-00-00 M-32-8S-29E Inspection *Significant Corrective Date Type Inspection Inspector Violation? Non-Compliance? Action Due By: Inspection No. 02/21/2008 Pre-Operation (MIT Richard Inge Yes 3/5/2008 iREI0805234514 No Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well Comments on Inspection: operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed." Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date. TWIN LAKES SAN ANDRES UNIT No.023 A-31-8S-29E 30-005-60965-00-00 Inspection *Significant Corrective Violation? Type Inspection Inspector Non-Compliance? Action Due By: Inspection No. Date 02/21/2008 Pre-Operation (MIT Richard Inge 3/5/2008 iREI0805234048 Yes No Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well Comments on Inspection: operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed." Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date. TWIN LAKES SAN ANDRES UNIT No.081 I-6-9S-29E 30-005-60993-00-00 Inspection *Significant Corrective Date Type Inspection Inspector Violation? Non-Compliance? Action Due By: Inspection No. Pre-Operation (MIT Yes 02/21/2008 Richard Inge No 3/5/2008 iREI0805235011 Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well Comments on Inspection: operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.078

K-6-9S-29E

30-005-60995-00-00 Corrective

Type Inspection Date 02/21/2008 Pre-Operation (MIT Inspector Richard Inge Violation? Yes

*Significant Non-Compliance? No

Action Due By: 3/5/2008

Inspection No. iREI0805234974

Comments on Inspection:

Inspection

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

O-6-9S-29E

30-00, 706-00-00

*Significant Non-Compliance? Corrective Action Due By:

Date 02/21/2008

Inspection

Type Inspection
Pre-Operation (MIT

Inspector Richard Inge Violation? Yes

No 3/5/2008

Inspection No. iREI0805235100

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.068

E-6-9S-29E *Significant 30-005-61007-00-00

Inspection Date 02/21/2008

Type Inspection
Pre-Operation (MIT

Inspector Violation? Richard Inge Yes

ation? Non-Compliance?

Action Due By: 3/5/2008

Inspection No.

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.103

G-7-9S-29E

30-005-61075-00-00

Inspection Date

02/21/2008

Type Inspection
Pre-Operation (MIT

Inspector Richard Inge

*Significant
Violation? Non-Compliance?
Yes No

Corrective
Action Due By:
3/5/2008

Inspection No.

iREI0805235304

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "...The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.107

K-7-9S-29E

30-005-61104-00-00

Inspection Date

Type Inspection
Pre-Operation (MIT

Inspector Richard Inge *Significant Violation? Non-Compliance?

Corrective Action Due By: 3/5/2008

Inspection No. iREI0805235383

02/21/2008 Pre-Operat

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "...The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Yes

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.100

E-7-9S-29E

30-005-61105-00-00

Inspection
Date Type Inspec

Type Inspection

Inspector Richard Inge Violation? Yes *Significant Non-Compliance? No Corrective
Action Due By:
3/5/2008

Inspection No. iREI0805235239

02/21/2008 Pre-Operation (MIT Comments on Inspection: Violat

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

Oil Conservation Division * 1301 W. Grand * Artesia, New Mexico 88210 Phone: 505-748-1283 * Fax: 505-748-9720 * http://www.emnrd.state.nm.us

A-7-9S-29E

30-005-61107-00-00

Inspection Date

Inspection

02/21/2008

Type Inspection Pre-Operation (MIT Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

Comments on Inspection:

Richard Inge

Yes

No

3/5/2008

iREI0805235192

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

on this well will require that this well be shut-in on the Corrective Action due date.

Failure to contact the OCD by Corrective Action due date to schedule the required inspection

TWIN LAKES SAN ANDRES UNIT No.057

A-1-9S-28E

30-005-61135-00-00

*Significant

Corrective

Type Inspection Date 02/21/2008 Pre-Operation (MIT Inspector Richard Inge Violation? Yes

Non-Compliance? Action Due By: No

Inspection No. iREI0805234650

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.111

M-7-9S-29E

30-005-61453-00-00

Inspection Date

02/21/2008

Type Inspection Inspector Pre-Operation (MIT Richard Inge Violation? Yes

*Significant Non-Compliance? No

Corrective Action Due By: 3/5/2008

Inspection No. iREI0805235468

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.113

O-7-9S-29E

*Significant

30-005-61604-00-00 Corrective

Inspection Date 02/21/2008

Inspection

Date

02/21/2008

Type Inspection Inspector Pre-Operation (MIT Richard Inge

Violation? Non-Compliance? Yes No

F-18-9S-29E

Action Due By: 3/5/2008

Inspection No. iREI0805235500

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.119

Type Inspection

30-005-61623-00-00 Corrective

Inspector

Richard Inge

Violation? Yes

*Significant Non-Compliance? No

Action Due By: 3/5/2008

Inspection No. iREI0805235574

Pre-Operation (MIT Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

TWIN LAKES SAN ANDRES UNIT No.118 B-18-9S-29E 30-005-61736-00-00 Inspection *Significant Corrective Inspection No. Date Inspector Violation? Action Due By:

Type Inspection Non-Compliance? Pre-Operation (MIT Richard Inge Yes 02/21/2008 No 3/5/2008

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well Comments on Inspection: operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

iREI0805235540

Corrective

TWIN LAKES SAN ANDRES UNIT No.109 J-12-9S-28E

30-005-61772-00-00 Inspection *Significant Corrective

Date Type Inspection Inspector Violation? Non-Compliance? Action Due By: Inspection No. 02/21/2008 3/5/2008 iREI0805235432 Pre-Operation (MIT Richard Inge Yes

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well Comments on Inspection: operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed.'

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.105 30-005-62068-00-00 H-12-9S-28E

Inspection *Significant Date Type Inspection Inspector Violation? Non-Compliance? Action Due By: Inspection No. Pre-Operation (MIT Richard Inge iREI0805235342 02/21/2008 Yes No 3/5/2008

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well Comments on Inspection:

operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.001 F-25-8S-28E 30-005-62070-00-00

Inspection *Significant Corrective Date Type Inspection Inspector Violation? Non-Compliance? Action Due By: Inspection No. 02/21/2008 Pre-Operation (MIT Richard Inge Yes iREI0805236013 No 3/5/2008

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well Comments on Inspection:

operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

O'BRIEN P No.001 C-28-8S-29E 30-005-62192-00-00 Inspection *Significant Corrective

Non-Compliance? Type Inspection Inspector Violation? Date Action Due By: Inspection No. 02/21/2008 Pre-Operation (MIT Richard Inge iREI0805231565 Yes No 3/5/2008

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well Comments on Inspection: operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

C-5-9S-29E

30-005-62563-00-00

Inspection Date Type Inspection

Inspector

*Significant Violation?

Corrective

02/21/2008 Pre-Operation (MIT Richard Inge

Non-Compliance? Yes No

Action Due By: 3/5/2008

Inspection No. iREI0805234770

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

TWIN LAKES SAN ANDRES UNIT No.015

O-30-8S-29E *Significant 30-005-62565-00-00 Corrective

Inspection Date 02/21/2008

Type Inspection Pre-Operation (MIT Inspector Richard Inge Non-Compliance? No

Action Due By: 3/5/2008

Inspection No. iREI0805233871

Comments on Inspection:

Yes Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Violation?

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

NORTHEAST SQUARE LAKE PREMIER UNIT No.008

M-2-16S-31E

30-015-04785-00-00

Inspection Date

Type Inspection

Inspector Richard Inge

*Significant Violation? Non-Compliance?

Corrective Action Due By: 3/5/2008

Inspection No. iREI0805233158

Pre-Operation (MIT 02/21/2008 Comments on Inspection:

Yes Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

NORTHEAST SOUARE LAKE PREMIER UNIT No.005

P-3-16S-31E

30-015-04788-00-00

3/5/2008

Inspection Date 02/21/2008

Type Inspection

Inspector Richard Inge Violation? Yes

*Significant Non-Compliance? No

No

Corrective Action Due By:

Inspection No. iREI0805233101

Pre-Operation (MIT Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

NORTHEAST SQUARE LAKE PREMIER UNIT No.003

K-3-16S-31E

30-015-04794-00-00

Inspection Date

02/21/2008

Type Inspection

Inspector Richard Inge Violation? Yes

*Significant Non-Compliance? No

Corrective Action Due By: 3/5/2008

Inspection No. iREI0805233050

Pre-Operation (MIT Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests are to be commenced in order that such tests may be witnessed."

NORTHEAST SQUARE LAKE PREMIER UNIT No.012

A-9-16S-31E

30-015-04831-00-00

Inspection Date 02/21/2008

Type Inspection Pre-Operation (MIT Inspector Richard Inge Violation?

operator shall advise the division of the date and time any initial, five-year or special tests

on this well will require that this well be shut-in on the Corrective Action due date.

*Significant Non-Compliance?

Corrective Action Due By: 1

Inspection No.

Comments on Inspection:

Yes Violation of NMOCD Rule 19.15.9 704.A (5), which states in part "... The injection well

No

3/5/2008

iREI0805232363

are to be commenced in order that such tests may be witnessed." Failure to contact the OCD by Corrective Action due date to schedule the required inspection

NORTHEAST SOUARE LAKE PREMIER UNIT No.021

G-10-16S-31E

30-015-04837-00-00

*Significant

Corrective Action Due By:

3/5/2008

Date Type Inspection 02/21/2008 Pre-Operation (MIT Inspector Richard Inge Violation? Yes

Non-Compliance? No

Inspection No. iREI0805233210

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

NORTHEAST SQUARE LAKE PREMIER UNIT No.025

I-10-16S-31E

30-015-04845-00-00

Inspection Date 02/21/2008

Inspection

Type Inspection Pre-Operation (MIT

Inspector Richard Inge Violation? Yes

*Significant Non-Compliance?

No

Corrective Action Due By:

3/5/2008

Inspection No. iREI0805232190

Comments on Inspection:

Violation of NMOCD Rule 19.15.9.704.A (5), which states in part "... The injection well operator shall advise the division of the date and time any initial, five-year or special tests

are to be commenced in order that such tests may be witnessed."

Failure to contact the OCD by Corrective Action due date to schedule the required inspection on this well will require that this well be shut-in on the Corrective Action due date.

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.