7008 1140 0001 4145 1902



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

36.005-60822

24-Jun-09

M E W ENTERPRISE
300 S. KENTUCKY AVE
ROSWELL NM 88203-4523

LOV NO. <u>0.2-09-029</u>

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

M-27-4S-27E **STATE 27 No.001** 30-005-60353-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: File and Compliance Review Richard Inge iREI0917442202 06/23/2009 Yes No 9/26/2009 Comments on Inspection: Violation of OCD rule 19.15.25.8 WELLS TO BE PROPERLY ABANDONED. Last reported production 4/1/2006. The well must either be returned to beneficial use, properly plugged and abandoned or placed into approved temporary abandonment by Completion Action Due By date. O'BRIEN B No.001 K-11-9S-29E 30-005-60431-00-00 *Significant Inspection Corrective Violation? Type Inspection Inspector Inspection No. Date Non-Compliance? Action Due By: 06/23/2009 File and Compliance Review Richard Inge Yes No 9/26/2009 iREI0917457366 Violation of OCD rule 19.15.25.8 WELLS TO BE PROPERLY ABANDONED. Last reported Comments on Inspection: production 12/1/2002. Last inspection shows P&A marker on location. There is no notification of well plugging, no approved plugging procedure or final closure report in the well file. The well must either be returned to beneficial use, properly plugged and abandoned or placed into approved temporary abandonment by Completion Action Due By date.

SKIP No.001

P-26-7S-28E

30-005-60822-00-00

Inspection

Date Type Inspection

Inspector

*Significant
Violation? Non-Compliance?

Corrective

Inspection No.

06/23/2009

Routine/Periodic

Richard Inge

Yes

No

Action Due By: 9/26/2009

iREI0917440008

Comments on Inspection:

Violation of OCD rule 19.15.25.8 WELLS TO BE PROPERLY ABANDONED. Last reported production 11/1 2006. Horsehead removed, pump motor removed. Tubing out of hole, Last entry

on flow meter is dated 6/14/2006..

The well must either be returned to beneficial use, properly plugged and abandoned or placed into

approved temporary abandonment by Completion Action Due By date.

J KYLE No.001

C-26-7S-28E

30-005-63170-00-00

Inspection Date

Type Inspection

Inspector

*Significant
Violation? Non-Compliance?

Corrective Action Due By:

Inspection No.

06/23/2009 I

Routine/Periodic

Richard Inge

Yes

No

9/26/2009

iREI0917441324

Comments on Inspection:

TA status expired 1/21/2004. Lots of junk on and around location.

Violation of OCD rule 19.15.25.8 WELLS TO BE PROPERLY ABANDONED. TA status

expired 1/21/2004. Lots of junk on and around location.

The well must either be returned to beneficial use or properly plugged and abandoned by Completion Action Due By date. This well will not be approved for Temporary Abandonment

since there has been no production reported.

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

KILHARD INGE

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.