



# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

**Joanna Prukop**  
Cabinet Secretary  
**Reese Fullerton**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



**\*Response Required – Deadline Enclosed\***  
*Underground Injection Control Program*  
*"Protecting Our Underground Sources of Drinking Water"*

22-Feb-10

**LOV NO. 02-09-131**

**TANDEM ENERGY CORPORATION**  
11490 WESTHEIMER RD, STE 1000  
HOUSTON, TX 77077

**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**

**SOUTH LUCKY LAKE QUEEN UNIT No.004**

**N-22-15S-29E**

**30-005-60381-00-00**

**Inspection**

Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
02/19/2010	Routine/Periodic	Richard Inge	Yes	No	5/25/2010	iREI1005058210

**Comments on Inspection:** BLM Personnel reported surface casing leak and possible casing leak. The well must be shut-in immediately and repaired by compliance action due by date.

The well must be tested and witnessed by the OCD before it can be returned to injection.



February 22, 2010

Page 2

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 Division 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,

Handwritten signature of Richard Ingle in black ink.

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.