



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

Field Inspection Program

"Preserving the Integrity of Our Environment"

17-Mar-04

BURNETT OIL CO INC

PO Box 188

Loco Hills NM 88255

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.

INSPECTION DETAIL SECTION

GISSLER B No.020		M-11-17S-30E	30-015-25221-00-00			
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
03/16/2004	Routine/Periodic	Mike Bratcher	Yes	No	4/16/2004	iMLB0407643077
Comments on Inspection: Wellhead area is heavily contaminated and has some oil standing. Violation Rule 13.						
GISSLER B No.024		C-14-17S-30E	30-015-25684-00-00			
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
03/16/2004	Routine/Periodic	Mike Bratcher	Yes	No	4/16/2004	iMLB0407642341
Comments on Inspection: Well is pumping. Current leaks from stuffing box have oil pooled at wellhead area. Location has an area extending approx 50' south from wellhead and approx 2'-3' wide where oil has run. Area has been backdragged. Current leaks are in violation of Rule 13 and 116.						
GISSLER A No.022		K-14-17S-30E	30-015-33124-00-00			
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
03/16/2004	Routine/Periodic	Mike Bratcher	Yes	No	3/31/2004	iMLB0407641843
Comments on Inspection: Slow steady leak from wellhead has produced fluids fluids pooled at wellhead area. Ditch has been dug to allow fluids to run into open reserve pits. Rear reserve pits have oil on surface. Leaks need to be repaired and oil removed from surface of pits. Violation Rule 13, 116 and 105.						

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,



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.