

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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Oil Conservation Division

Field Inspection Program

"Preserving the Integrity of Our Environment"

19-Jun-03

MCELVAIN OIL AND GAS PROPERTIES INC

PO BOX 2148

SANTA FE, NM 87504-0000

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

E M ELLIOTT 004

3-31-18S-30E

30-015-25210-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
06/19/2003	Routine/Periodic	Mike Bratcher	Yes	No	7/21/2003	iMLB0317040877
Comments on Inspection: Water tank contains oil and netting has fallen in tank. Violation of Rule 18. Several areas of contamination as follows: Area around wellhead, area in front of, behind and east of tank battery, and area in pasture east of location. Violation Rule 13 and Rule 116. Pumpjack dismantled.						

PARCELL FEDERAL 002

F-31-18S-30E

30-015-25851-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
06/19/2003	Routine/Periodic	Mike Bratcher	Yes	No	7/21/2003	iMLB0317038786
Comments on Inspection: Heavy contamination at wellhead. Evidence of approx 25' X 25' area of contamination that has been covered. Pile of contaminated soil on location. Violation Rule 13 and Rule 116.						

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.