30.015.04794

NEW MEXICO ENERGY, MINERALS 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 LOVNO. 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

*Significant

30-005-00349-00-00

Inspection Date 02/21/2008

Inspection

Type Inspection Pre-Operation (MIT Inspector

Violation? Non-Compliance?

Corrective Action Due By:

Inspection No.

Richard Inge

Yes

Nο 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 QUEEN UNIT No.0011

L-31-14S-30E

30-005-20307-00-00

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

Inspector Richard Inge Violation? Yes

*Significant Non-Compliance? No

Corrective Action Due By: 3/5/2008

Inspection No. iREI0805232527

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 QUEEN UNIT No.002H

E-31-14S-30E

30-005-20308-00-00

Date

Type Inspection

Inspector

*Significant Violation?

Corrective

02/21/2008 Pre-Operation (MIT

Richard Inge

Non-Compliance?

Action Due By:

Inspection No. iREI0805232620

Comments on Inspection:

Yes

3/5/2008 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.

TWIN LAKES SAN ANDRES UNIT No.035

K-36-8S-28E *Significant 30-005-60026-00-00 Corrective

Inspection Date

02/21/2008

Type Inspection

Inspector

Violation? Yes

Non-Compliance?

Action Due By:

Inspection No. iREI0805232294

Comments on Inspection:

Pre-Operation (MIT Richard Inge 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

L-36-8S-28E

30-005-60033-00-00

Inspection Date

Type Inspection

Inspector Violation? Richard Inge

*Significant Non-Compliance?

No

Corrective Action Due By: 3/5/2008

Inspection No. iREI0805234257

02/21/2008 Pre-Operation (MIT 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.

TWIN LAKES SAN ANDRES UNIT No.017

C-36-8S-28E

30-005-60039-00-00

3/5/2008

Inspection Date

02/21/2008

02/21/2008

Type Inspection Inspector Richard Inge

*Significant Violation? Yes

Non-Compliance? No

Corrective Action Due By: Inspection No. iREI0805233917

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

Richard Inge

A-1-15S-29E 30-005-60078-00-00 *Significant Corrective

Inspection Type Inspection Date

Inspector

Violation? Yes

Non-Compliance? No

Action Due By: 3/5/2008

Inspection No. iREI0805232574

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."

DOUBLE L QUEEN UNIT No.004G

G-36-14S-29E

*Significant

30-005-60080-00-00 Corrective

Inspection Date

02/21/2008

Type Inspection Pre-Operation (MIT Inspector

Violation?

Non-Compliance?

Action Due By:

Richard Inge

Yes

No 3/5/2008

Inspection No. iREI0805232956

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.

DOUBLE L QUEEN UNIT No.001H

N-25-14S-29E *Significant 30-005-60127-00-00 Corrective

Inspection Date 02/21/2008

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

Non-Compliance?

Action Due By:

Inspection No. iREI0805232461

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

Type Inspection

Inspector

Richard Inge

Violation?

*Significant Corrective Non-Compliance? Action Due By:

Inspection No.

Date 02/21/2008

Pre-Operation (MIT

Richard Inge

Yes No 3/5/2008

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

Type Inspection Inspector Violation? Yes

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No. iREI0805234388

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.

TWIN LAKES SAN ANDRES UNIT No.055

C-1-9S-28E

30-005-60297-00-00 Corrective

Inspection Date Type Inspection

Inspector Pre-Operation (MIT Richard Inge

Violation? Yes

*Significant Non-Compliance? No

Action Due By: 3/5/2008

Inspection No. iREI0805234602

Comments on Inspection:

02/21/2008

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."

E-36-8S-28E

30-005-60334-00-00

Inspection Date

02/21/2008

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

Richard Inge

Comments on Inspection:

Pre-Operation (MIT

Yes

No

iREI0805234105

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

30-005-60521-00-00

Inspection

Type Inspection

Inspector

Violation?

*Significant Corrective Non-Compliance? Action Due By:

Inspection No. iREI0805234159

Comments on Inspection:

Pre-Operation (MIT Richard Inge 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.

TWIN LAKES SAN ANDRES UNIT No.013

M-30-8S-29E

30-005-60558-00-00

Inspection Date

Date

02/21/2008

Type Inspection

Inspector Richard Inge Violation? Yes

*Significant Non-Compliance? No

Corrective Action Due By: 3/5/2008

Inspection No. iREI0805233825

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.

TWIN LAKES SAN ANDRES UNIT No.019

A-36-8S-28E

30-005-60560-00-00

Inspection Type Inspection Date 02/21/2008

Inspector Pre-Operation (MIT Richard Inge Violation? Yes

*Significant Non-Compliance?

Corrective **Action Due By:**

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

O-25-8S-28E

30-005-60563-00-00

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

Inspector Richard Inge Violation? Yes

*Significant Non-Compliance? No

Corrective Action Due By: 3/5/2008

Inspection No. iREI0805233777

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

*Significant Corrective Inspection Action Due By: Violation? Non-Compliance? Inspection No. Type Inspection Inspector Date iREI0805233602 Pre-Operation (MIT Richard Inge No 3/5/2008 02/21/2008 Yes

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.

KUCHEMANN No.002

E-30-8S-29E

30-005-60580-00-00

Inspection *Significant Corrective

DateType InspectionInspectorViolation?Non-Compliance?Action Due By:Inspection No.02/21/2008Pre-Operation (MITRichard IngeYesNo3/5/2008iREI0805233002

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

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

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

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

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 *Significant Type Inspection Inspector Violation? Non-Compliance? Action Due By: Inspection No. Date Richard Inge iREI0805236097 02/21/2008 Pre-Operation (MIT 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

30-005-60658-00-00 Corrective

Inspection Type Inspection

Pre-Operation (MIT

Inspector Richard Inge

*Significant Violation? Non-Compliance? Yes No

Action Due By: 3/5/2008

Inspection No. 1REI0805234003

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.040

K-31-8S-29E

No

30-005-60696-00-00 Corrective

Inspection Date 02/21/2008

02/21/2008

Type Inspection Pre-Operation (MIT Inspector Richard Inge

*Significant Violation? Non-Compliance? Yes

Action Due By: 3/5/2008

Inspection No. iRE10805234299

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.091

Pre-Operation (MIT

B-12-9S-28E

30-005-60790-00-00

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.

iREI0805235140

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.086

P-1-9S-28E

30-005-60794-00-00 Corrective

Inspection Date 02/21/2008

Type Inspection Pre-Operation (MIT

Inspector Richard Inge

Inspector

Richard Inge

Violation? Yes

*Significant Non-Compliance? No

Action Due By: 3/5/2008

Inspection No. iREI0805235061

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.032 Inspection

Type Inspection

30-005-60795-00-00 G-31-8S-29E *Significant Corrective

Violation? Non-Compliance?

No

Action Due By: 3/5/2008

Inspection No. iREI0805234213

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

Date

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

O-31-8S-29E

30-005-60796-00-00 Corrective

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

Inspector Richard Inge

Inspector

Richard Inge

*Significant 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:

3/5/2008

Inspection No. iREI0805234688

Comments on Inspection:

Pre-Operation (MIT 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

Violation?

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.076

I-1-9S-28E

30-005-60809-00-00

Inspection Date

02/21/2008

Inspection

Date

02/21/2008

Type Inspection Inspector Pre-Operation (MIT Richard Inge

*Significant Violation? Non-Compliance?

Corrective Action Due By: 3/5/2008

Inspection No. iREI0805234931

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.

TWIN LAKES SAN ANDRES UNIT No.043

L-32-8S-29E

30-005-60829-00-00 Corrective

Inspection Date

02/21/2008

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

*Significant 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

Pre-Operation (MIT

G-6-9S-29E

30-005-60885-00-00 Corrective

Inspection Type Inspection Date

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."

Pre-Operation (MIT

A-6-9S-29E

30-005-60920-00-00

Inspection Date Type Inspection

Inspector Richard Inge

Inspector

Violation? Yes

*Significant Non-Compliance? No

Corrective Action Due By: 3/5/2008

Inspection No. iREI0805234728

Comments on Inspection:

02/21/2008

Inspection

Date

02/21/2008

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.052

Type Inspection

M-32-8S-29E

30-005-60961-00-00

*Significant Corrective Non-Compliance?

Action Due By:

Inspection No. iREI0805234514

Comments on Inspection:

Richard Inge 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

Violation?

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 Date

02/21/2008

Inspection

Date

Inspection

02/21/2008

Type Inspection Pre-Operation (MIT Inspector Violation?

*Significant Non-Compliance? No

Corrective **Action Due By:** 3/5/2008

Inspection No.

iREI0805234048

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."

Richard Inge

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

Type Inspection

I-6-9S-29E

30-005-60993-00-00

*Significant Corrective Non-Compliance? Action Due By:

Inspection No. iREI0805235011

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

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

Violation?

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

Pre-Operation (MIT

K-6-9S-29E

30-005-60995-00-00 Corrective

Date Type Inspection Inspector Richard Inge

Inspector

Violation? Yes

*Significant Non-Compliance? No

Action Due By: 3/5/2008

Inspection No. iREI0805234974

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."

O-6-9S-29E

30-005-61006-00-00

*Significant Corrective Inspection Action Due By: Inspection No. Type Inspection Inspector Violation? Date Non-Compliance? iREI0805235100 02/21/2008 Pre-Operation (MIT Richard Inge No 3/5/2008 Yes

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

Inspection

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

*Significant Corrective

DateType InspectionInspectorViolation?Non-Compliance?Action Due By:Inspection No.02/21/2008Pre-Operation (MITRichard IngeYesNo3/5/2008iREI0805234810

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

*Significant Inspection Corrective Date Type Inspection Inspector Violation? Non-Compliance? Action Due By: Inspection No. 02/21/2008 Pre-Operation (MIT Richard Inge 3/5/2008 iREI0805235304 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.107

K-7-9S-29E **30-005-61104-00-00**

Inspection *Significant Corrective Type Inspection Inspector Violation? Action Due By: Date Non-Compliance? Inspection No. 02/21/2008 Pre-Operation (MIT Richard Inge Yes iREI0805235383 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.100

E-7-9S-29E **30-005-61105-00-00**

Inspection *Significant Corrective Type Inspection Inspector Violation? Date Non-Compliance? Action Due By: Inspection No. 02/21/2008 Pre-Operation (MIT Richard Inge Yes No iREI0805235239 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."

A-7-9S-29E

*Significant

Non-Compliance?

No

30-005-61107-00-00

Inspection Date

Type Inspection

Inspector

Violation?

Corrective

02/21/2008 Pre-Operation (MIT

Richard Inge

Yes

Action Due By: 3/5/2008

Inspection No. iREI0805235192

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.057

A-1-9S-28E

30-005-61135-00-00 Corrective

Inspection Date

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

*Significant Non-Compliance?

Action Due By: 3/5/2008

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 Pre-Operation (MIT

Violation? Inspector Richard Inge 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

30-005-61604-00-00

Inspection Date

02/21/2008

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

*Significant Non-Compliance?

Corrective Action Due By: 3/5/2008

Inspection No. iREI0805235500

02/21/2008 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.119

Pre-Operation (MIT

F-18-9S-29E

30-005-61623-00-00 Corrective

Inspection Date Type Inspection

Inspector Richard Inge Violation? Yes

*Significant Non-Compliance? No

Action Due By: 3/5/2008

Inspection No. iREI0805235574

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."

B-18-9S-29E

30-005-61736-00-00

3/5/2008

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

Inspector Richard Inge

*Significant Violation? Non-Compliance? Yes No

Corrective Action Due By:

Inspection No. iREI0805235540

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.109

J-12-9S-28E *Significant 30-005-61772-00-00 Corrective

Inspection Date 02/21/2008

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

Action Due By:

Inspection No. iREI0805235432

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.105

H-12-9S-28E

30-005-62068-00-00

Inspection Date

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

*Significant Non-Compliance?

No

Corrective Action Due By:

3/5/2008

Inspection No. iREI0805235342

02/21/2008 **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.001

F-25-8S-28E

30-005-62070-00-00 Corrective

Inspection Date

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

Inspector Richard Inge Violation? Yes

*Significant Non-Compliance? No

Action Due By: 3/5/2008

Inspection No. iREI0805236013

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.

O'BRIEN P No.001

02/21/2008

C-28-8S-29E

30-005-62192-00-00 Corrective

Inspection Date Type Inspection

Inspector Richard Inge Violation? Yes

*Significant Non-Compliance? No

Action Due By: 3/5/2008

Inspection No. iREI0805231565

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."

C-5-9S-29E

30-005-62563-00-00

Inspection Date 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

iREI0805234770

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 Violation? Yes Richard Inge

Non-Compliance?

Action Due By: 3/5/2008

Inspection No. iREI0805233871

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.008

M-2-16S-31E

30-015-04785-00-00

Inspection Date 02/21/2008

Type Inspection Pre-Operation (MIT Violation? Yes

*Significant Non-Compliance? No

Corrective Action Due By: 3/5/2008

Inspection No. iREI0805233158

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.'

Inspector

Richard Inge

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.005

P-3-16S-31E

30-015-04788-00-00

Inspection Date

02/21/2008

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

Inspector Richard Inge Violation? Yes

*Significant Non-Compliance?

Corrective Action Due By: 3/5/2008

Inspection No. iREI0805233101

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

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

*Significant Non-Compliance? No

Corrective Action Due By: 3/5/2008

Inspection No. iREI0805233050

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 Corrective

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. iREI0805232363

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 SOUARE LAKE PREMIER UNIT No.021

G-10-16S-31E

30-015-04837-00-00

Inspection Date 02/21/2008

Type Inspection

Inspector

*Significant Violation? Non-Compliance?

Corrective Action Due By:

Inspection No.

Comments on Inspection:

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

iREI0805233210

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

Type Inspection

Inspector

*Significant Violation? Non-Compliance?

Corrective Action Due By:

Inspection No. iREI0805232190

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

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.

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,