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# 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\***

13-Nov-08

**PRIMAL ENERGY CORPORATION**

21021 SPRINGBROOK PLAZA DR. SUITE 160

SPRING TX 77379

**LOV NO. 2-08-167**

**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**

<b>BIG EDDY UNIT No.132</b>		<b>J-16-21S-29E</b>		<b>30-015-27778-00-00</b>		
<b>Inspection Date</b>	<b>Type Inspection</b>	<b>Inspector</b>	<b>Violation?</b>	<b>*Significant Non-Compliance?</b>	<b>Corrective Action Due By:</b>	<b>Inspection No.</b>
11/13/2008	Routine/Periodic	Ron Harvey	Yes	No	11/28/2009	iREH0831857382
<b>Violations</b>						
Surface Leaks/Spills						

**Comments on Inspection:** On 11/5/08 an inspection of the location revealed fresh oil pooled around the wellhead and running off the location. Violation of Rule 116. Further inspection reveals that a hole was dug behind the PJ and that soil was spread over the oil. Our records do not indicate that the spill was remediated. The operator must remediate impacted area and submit C-141 and sample analytical data to OCD District II office no later than 11/28/2008.

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.