



# 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\***

*Field Inspection Program*

*"Preserving the Integrity of Our Environment"*

27-Oct-09

**LOV NO. 02-09-100**

**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***

**EXXON STATE No.001**

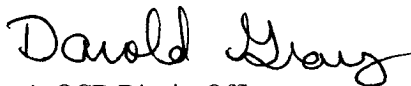
**M-16-16S-31E**

**30-015-21003-00-00**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/26/2009	Complaint Response	Darold J. Gray	Yes	No	11/2/2009	iDJG0929952267
<b>Comments on Inspection:</b> All production equipment disconnected. Last production reported 12/2004. All valves are closed. Gas coming to surface through ground around well head area, indicating casing failure. Violation of NMAC 19.15.16.11. Submit a form C-103 with a plugging or repair procedure. Incorrect operator on well sign. Violation of NMAC 19.15.16.8. Submit a form C-103 notifying division of changes. Inactive well. Last production reported was 12/1/2004. Violation of NMAC 19.15.25.8, wells to be properly abandoned. Submit a form C-103 notifying of your intent.						

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.