

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Susana Martinez

Governor

Jami Bailey Division Director Oil Conservation Division

John H. Bemis Cabinet Secretary

Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

12-Jan-12

ACOMA OIL CORP

408 ST. PETER STREET STE 434 ST. PAUL MN 55102

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

S J SARKEYS B No.001 B-26-21S-37E 30-025-06785-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Date Non-Compliance? Action Due By: 01/12/2012 Routine/Periodic Mark Whitaker Yes No 4/16/2012

Inspection No.

Violations

iMAW1201243224

Absent Well Identification Signs (Rule 103)

Comments on Inspection:

Well sign not legible (Rule 19.15.16.8). Need to replace well sign. Also install sign at battery with emergency contact numbers.

S J SARKEYS A No.001

Inspection

Date

Inspector

A-26-21S-37E

30-025-21278-00-00

*Significant Corrective Non-Compliance? Action Due By:

Inspection No.

01/12/2012 Routine/Periodic Mark Whitaker

Violation? Yes

No

4/16/2012

iMAW1201243032

Violations

Type Inspection

Absent Well Identification Signs (Rule 103)

Comments on Inspection:

Well sign not legible (Rule 19.15.16.8). Need to replace well sign. Also install sign at battery with

emergency contact numbers.

S J SARKEYS B No.002

B-26-21S-37E

30-025-21920-00-00

Inspection

01/12/2012

Date Type Insp

Type Inspection
Routine/Periodic

Inspector

Mark Whitaker

Violation? Yes *Significant Non-Compliance? No Corrective Action Due By: 4/16/2012

Inspection No. iMAW1201243419

Violations

Absent Well Identification Signs (Rule 103)

Comments on Inspection:

Well sign not legible (Rule 19.15.16.8). Need to replace well sign.

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,

COMPLIANCE OFFICER

Hobbs 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.

* http://www.emnrd.state.nm.us

EMNRD
OIL CONSERVATION DIVISION
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HOBBS NM 88240



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