

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Susana Martinez

Governor

Jami Bailey

Division Director

Oil Conversation Division

John H. Bemis Cabinet Secretary

Response Required - Deadline Enclosed

Field Inspection Program

Sewers, fifthe Integrity of that cavironment.

26-Jan-12

HOBBS OCD

PURVIS OPERATING CO

JAN 2 6 2012

3101 N. Pecos St. POB 51990 79710-1990

Midland TX 79705

RECEIVED

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.

| | | | INSPECTIO. | N DETAIL | . SECTION | | |
|--------------------------------|-----------------|----------------|------------------|------------|---|--|-----------------------|
| ARMADILI Inspection Date | LO STATE CO | | | Violation? | L-8-15S-35E *Significant Non-Compliance? | 30-025-38035-00- Corrective Action Due By: | .00 Inspection No. |
| 01/26/2012 | | Surface Restor | • | Yes | No | 4/30/2012 | ıMGB1202650098 |
| Comments of | on Inspection: | | | | RKER SHOW 990 FS R OF NON-COMPLI | | 1980 |
| BADGER STATE No.001 | | | | | P-6-15S-35E | 30-025-38036-00- | .00 |
| Inspection Date | Type Inspection | 1 | Inspector | Violation? | 'Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
| 01/26/2012 | Plugged Well | Surface Restor | Maxey Brown | Yes | No | 4/30/2012 | iMGB1202651379 |
| Comments of | on Inspection: | | E OF LOCATION. | | D TO LEVEL OUT S IS OK THIS IS IST | | OIL |
| COYOTE STATE COM No.001 | | | | | D-8-15S-35E | 30-025-38037-00-00 | |
| Inspection Date | Type Inspection | 1 | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
| 01/26/2012 | Plugged Well | Surface Restor | Maxey Brown | Yes | No | 4/30/2012 | iMGB1202651658 |
| Comments | m Inspection: | FROM NORTH | SIDE OF LOCATION | ON AND AL | D TO LEVEL OUT S SO LEVEL CEMENT THIS IS IST LETTER | CUTTING FROM | |

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,

Majey) Drown

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 EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



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01/26/12

Mailed From 88240

PURVIS OPERATING CO 3101 N, PECOS STREET PO BOX 51990 79710-1990 MIDLAND, TX 79705