

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Susana Martinez

Governor

John H. Bemis
Cabinet Secretary

Jami Bailey
Division Director
Oil Conversation Division

Response Required - Deadline Enclosed

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03-Feb-12

KEVIN O BUTLER & ASSOC INC

550 W. TEXAS STE 660 MIDLAND TX 79701

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

K-22-18S-34E EAST EK UNIT No.003 30-025-02357-00-00 Inspection Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 02/02/2012 Complaint Response Maxey Brown Yes 5/8/2012 iMGB1203424159 No RULE 19 15 25 10 NEED TO REMOVE DISCONNECT THAT IS NOT ATTACHED TO Comments on Inspection: POLE ALSO REMOVE OR CONTACT ELECTRICAL PROVIDER AND HAVE SECONDARY POLES AND WIRE REMOVED. THIS IS 1ST LETTER OF NON-COMPLIANCE MGB EAST EK UNIT No.002 J-22-18S-34E 30-025-02361-00-00 Inspection *Significant Corrective Inspection No. Type Inspection Inspector Violation? Date Non-Compliance? Action Due By: 02/02/2012 Complaint Response Maxey Brown tMGB1203422502 Yes No 5/7/2012 Comments on Inspection: RULE 19 15 25 10 CONTROL PANEL HAS BEEN LEFT ON POLE AND SECONDARY POLE IS DAMAGED CAUSING LINE TO DROP DOWN VERY CLOSE TO THE GROUND IN ADDITIONAL I TALL POLE NO WIRING HAS BEEN LEFT AT PREVIOUS BATTERY SITE PLEASE REMOVE EQUIPMENT AND POWER POLES OR CONTACT ELECTRICAL PROVIDER AND HAVE POLES REMOVED. THIS IS 1ST LETTER OF NON-COMPLIANCE MGB

EAST EK UNIT No.007

G-22-18S-34E

30-025-22362-00-00

Inspection Date

02/02/2012

Type Inspection Complaint Response Inspector Maxey Brown Violation? Yes

Significant Non-Compliance? No

Corrective Action Due By: 5/7/2012

Inspection No. tMGB1203424650

Comments on Inspection:

RULE 19 15 25.10. NEED TO REMOVE DISCONNECT AND SECONDARY POWER POLE

OR CONTACT ELECTRICAL PROVIDER TO REMOVE THIS IS 1ST LETTER OF NON-

COMPLIANCE MGB

EAST EK UNIT No.012

F-22-18S-34E

30-025-27948-00-00

Inspection Date

02/02/2012

Type Inspection

Inspector

Violation? Yes

Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

Complaint Response Maxey Brown No

5/7/2012

iMGB1203426873

Comments on Inspection:

RULE 19 15 25 10 NEED TO REMOVE TRANSFORMERS, DISCONNECT AND METER

BASE AND SECONDARY POWER POLES OR CONTACT ELECTRICAL PROVIDER AND

HAVE REMOVED. THIS IS 1ST LETTER OF NON-COMPLIANCE. MGB

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.

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 KEVIN O BUTLER & ASSOC INC 550 W. TEXAS STE 660 MIDLAND, TX 79701

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BOSTAGE

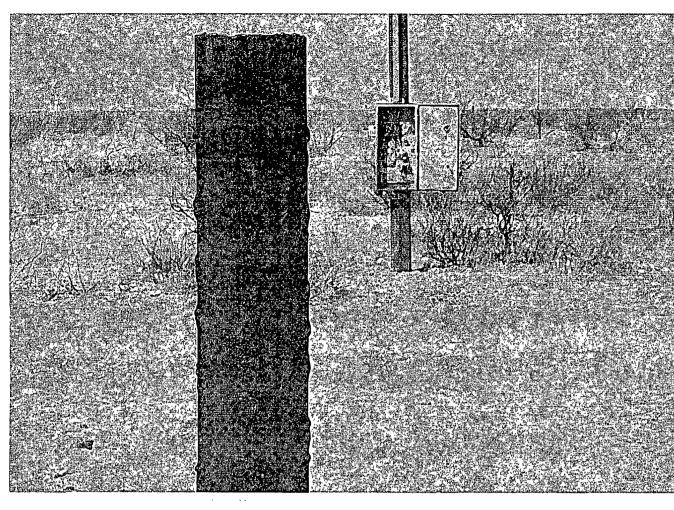
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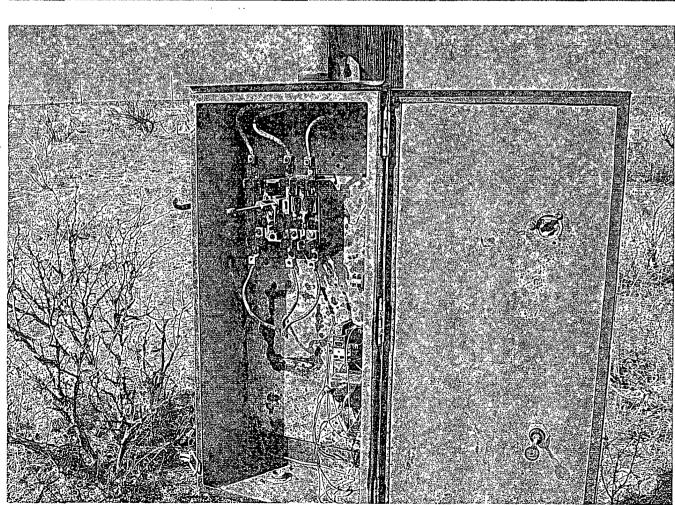
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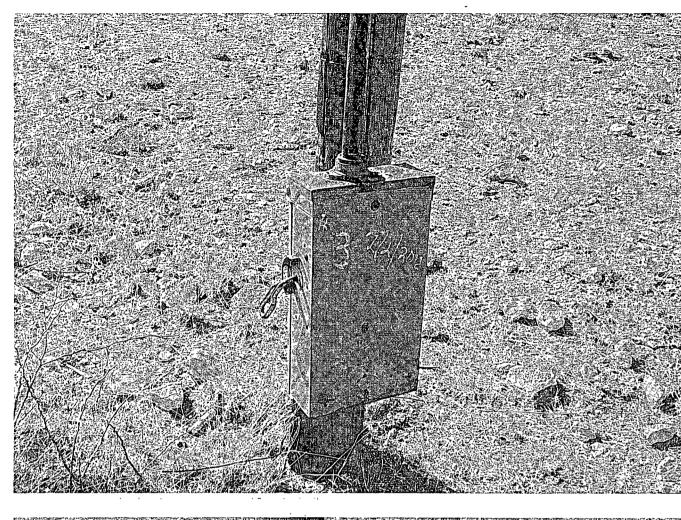
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02/02/2012

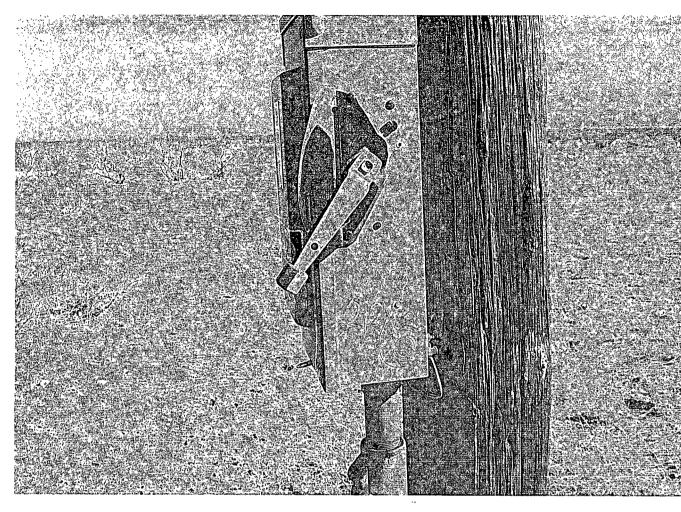




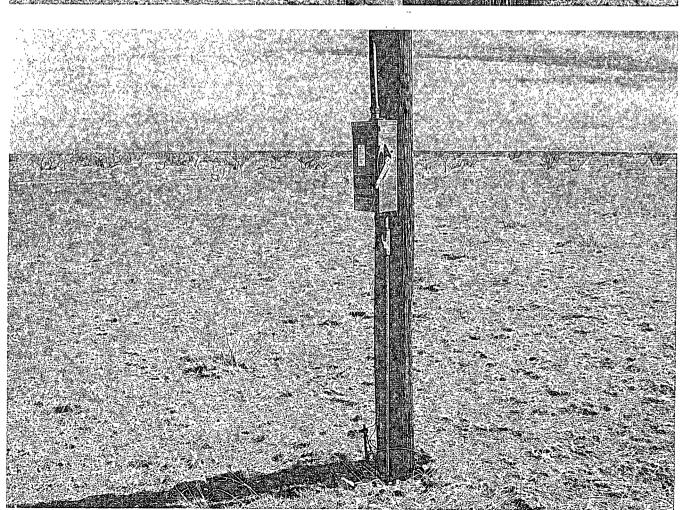
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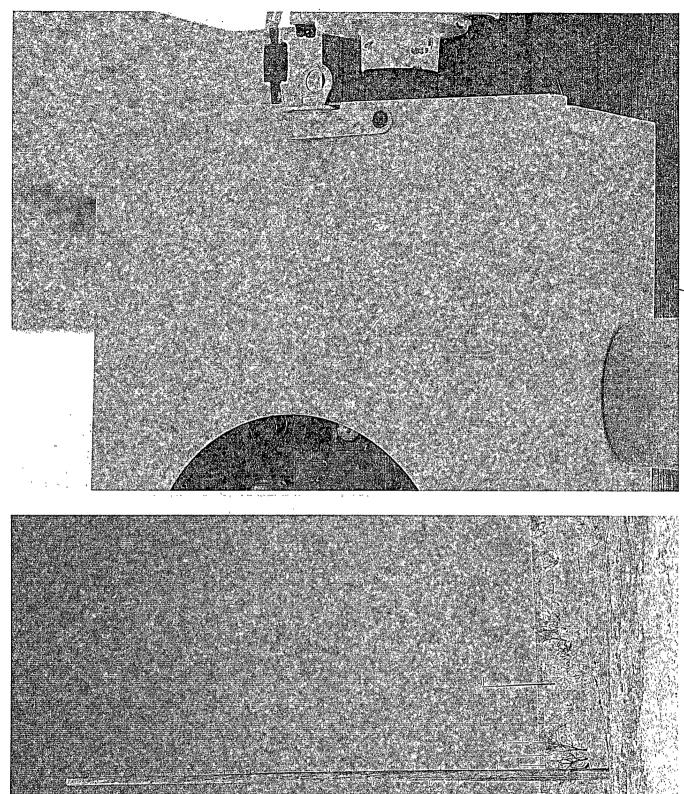


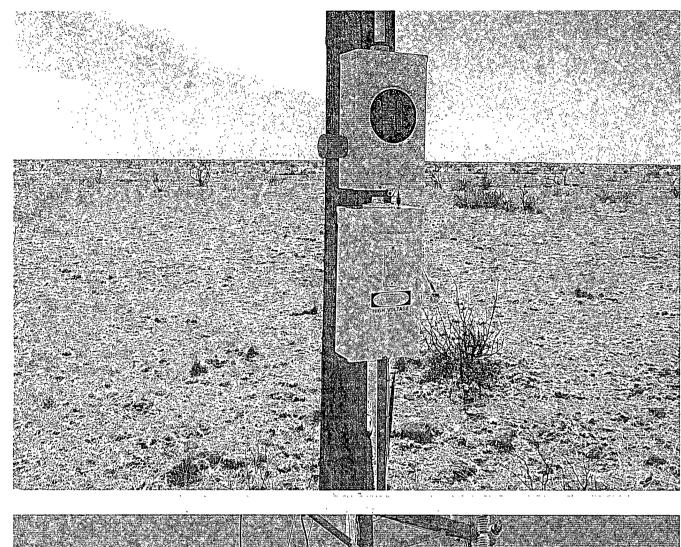




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