

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

Rield Inspection Program

"Preserving the Integrity of Our Environment"

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/oi 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

EAST EK U Inspection Date	NIT No.003 Type Inspection	li	nspector	Violation?	K-22-18S-34E *Significant Non-Compliance?	30-025-02357-00-0 Corrective Action Due By:	() Inspection No.
02/02/2012	Complaint Re	sponse N	Aaxey Brown	Yes	No	5/8/2012	MGB1203424159
Comments on Inspection: RULE 19-15-25-10 NEED TO REMOVE DISCONNECT THAT IS NOT ATTACHED TO POLE ALSO REMOVE OR CONTACT ELECTRICAL PROVIDER AND HAVE SECONDARY POLES AND WIRE REMOVED. THIS IS 1ST LETTER OF NON-COMPLIANCE. MGB							
EAST EK U Inspection Date	NIT No.002 Type Inspection	1	uspector	Violation?	J-22-18S-34E Significant Non-Compliance?	30-025-02361-00-0 Corrective Action Due By:	() Inspection No.
02/02/2012	Complaint Re	sponse N	4axey Brown	Yes	No	5/7/2012	iMGB1203422502
Comments o	on Inspection:	POLE IS DAMAG IN ADDITIONAL SITE PLEASE R	ED CAUSING LII 1 TALL POLE NO EMOVE EQUIPM HAVE POLES RE	NE TO DRO) WIRING I IENT AND	P DOWN VERY CL TAS BEEN LEFT AT	E AND SECONDARY OSE TO THE GROUI PREVIOUS BATTEL CONTACT ELECTR R OF NON-	ND ₹Y

EAST EK UNIT No.007

G-22-18S-34E

30-025-22362-00-00

Inspection Date

Type Inspection

Inspector

Violation? Non-Comphance?

Significant Corrective

Action Due By:

02/02/2012 Complaint Response Maxey Brown

Yes

No

Inspection No. 1MGB1203424650

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

Inspection

Type Inspection

Complaint Response

Inspector

Significant Violation? Non-Compliance? 30-025-27948-00-00 Corrective Action Due By:

Inspection No.

Date 02/02/2012

Maxey Brown

Yes

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 ² 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



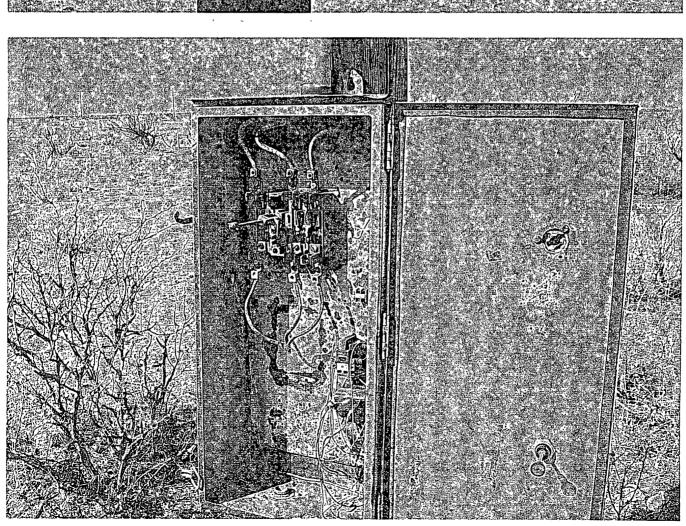
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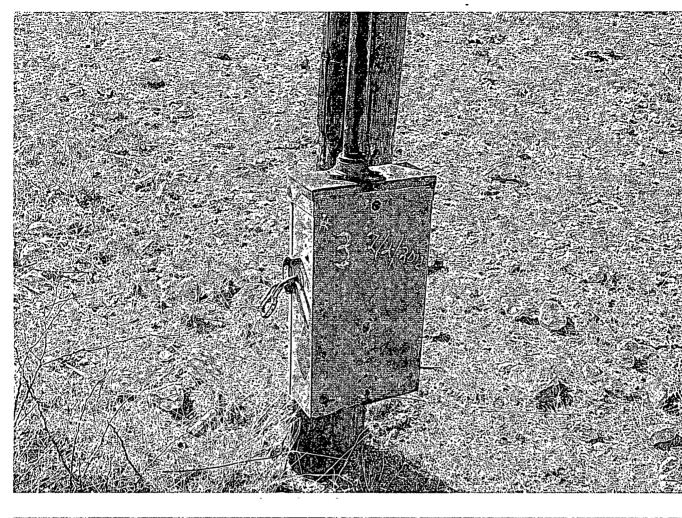
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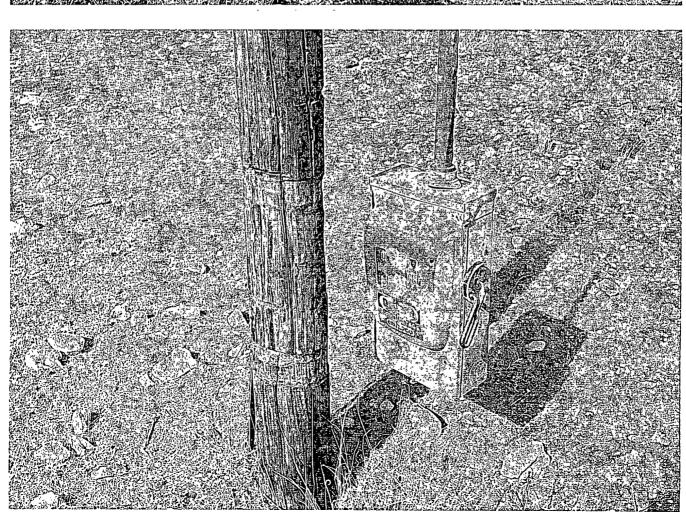
02/03/12

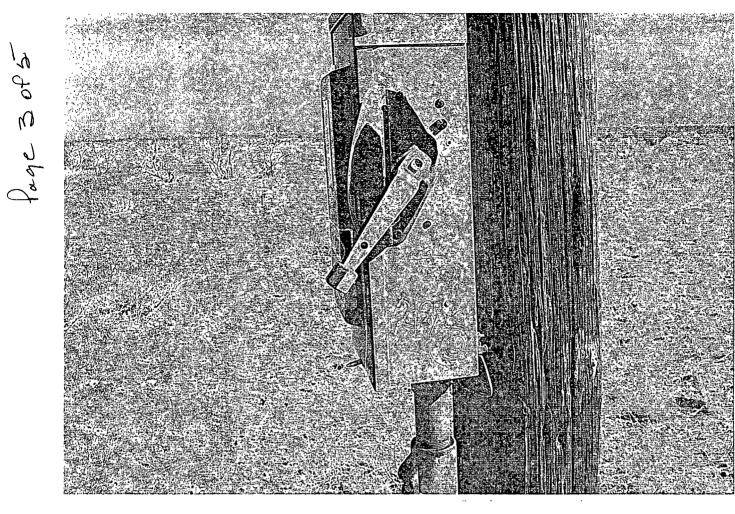
02/02/2012

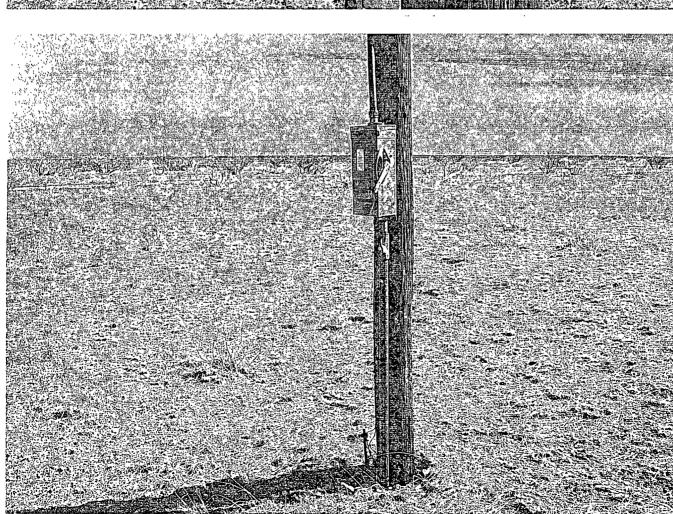


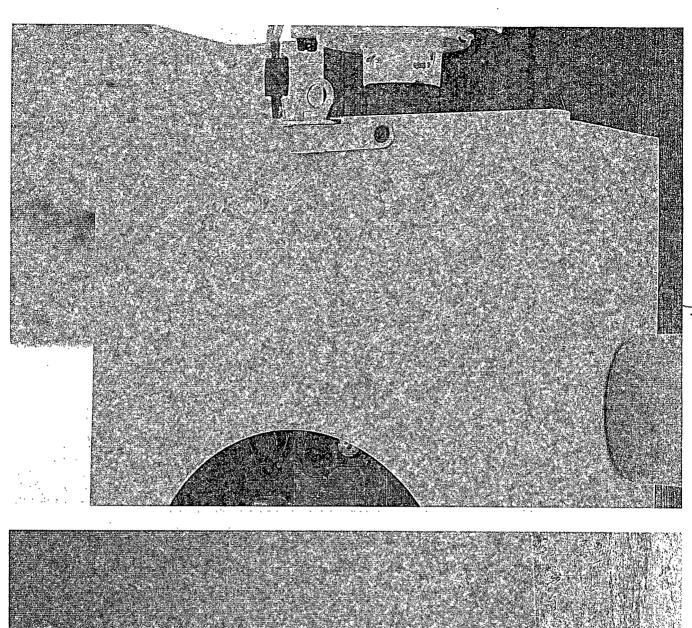


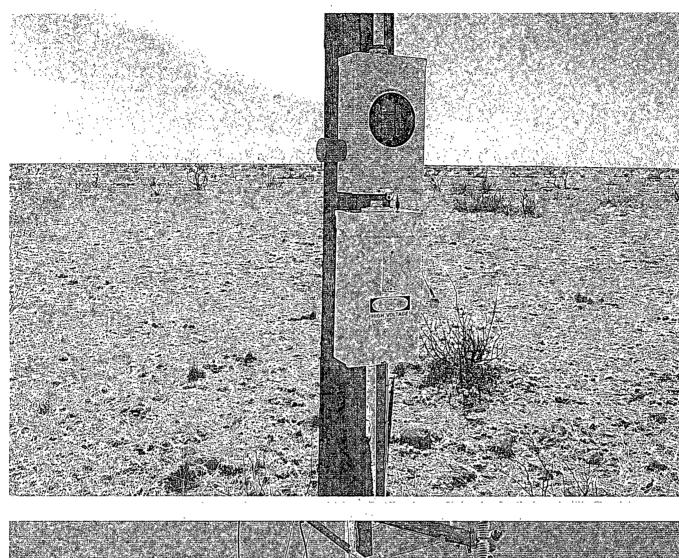












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