



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**Susana Martinez**  
Governor

**John H. Bemis**  
Cabinet Secretary

**Jami Bailey**  
Division Director  
Oil Conservation Division

**\*Response Required – Deadline Enclosed\***

*Field Inspection Program*

*"Preserving the Integrity of Our Environment"*

17-Feb-12

## SHENANDOAH PETROLEUM CORPORATION

24 SMITH ROAD SUITE 601

MIDLAND TX 79705

## 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.

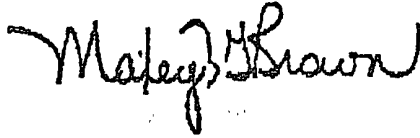
Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

### INSPECTION DETAIL SECTION

EIDSON No.001				F-15-16S-35E	30-025-24493-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.	
02/16/2012	Plugged Well Surface Restor	Maxey Brown	Yes	No	3/21/2012	iMGB1204739704	
Comments on Inspection:		DO NOT RELEASE. RULE 19 15 25 10 NEED TO REMOVE TANK BATTERY (CONSISTING OF 2 STEEL 500 BBL'S TANKS, 1 FIBERGLASS OPEN TOP TANK, FENCING, PIPING AND MISC JUNK AND CONNECTIONS THIS IS 2ND 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 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

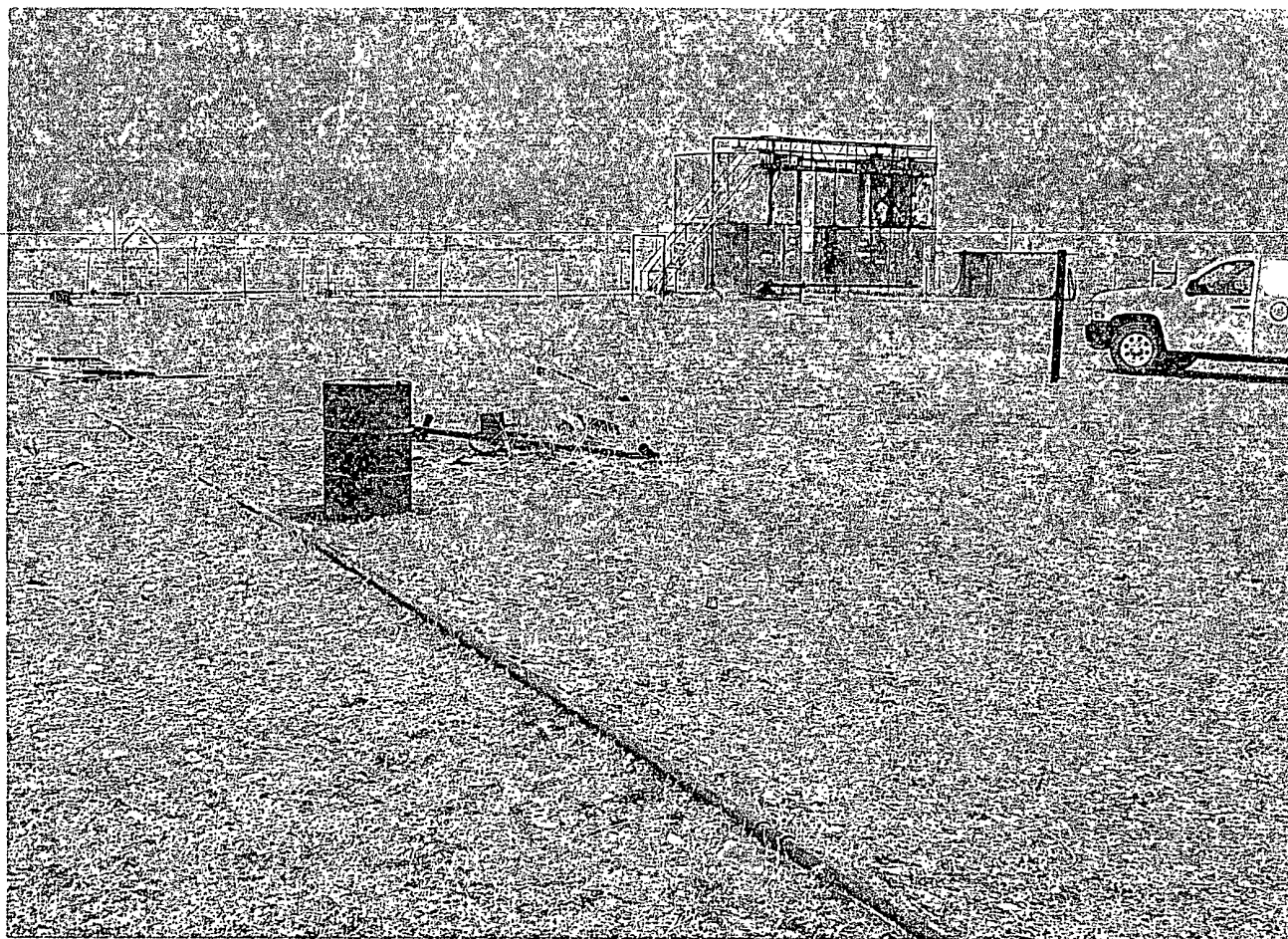
Sincerely,



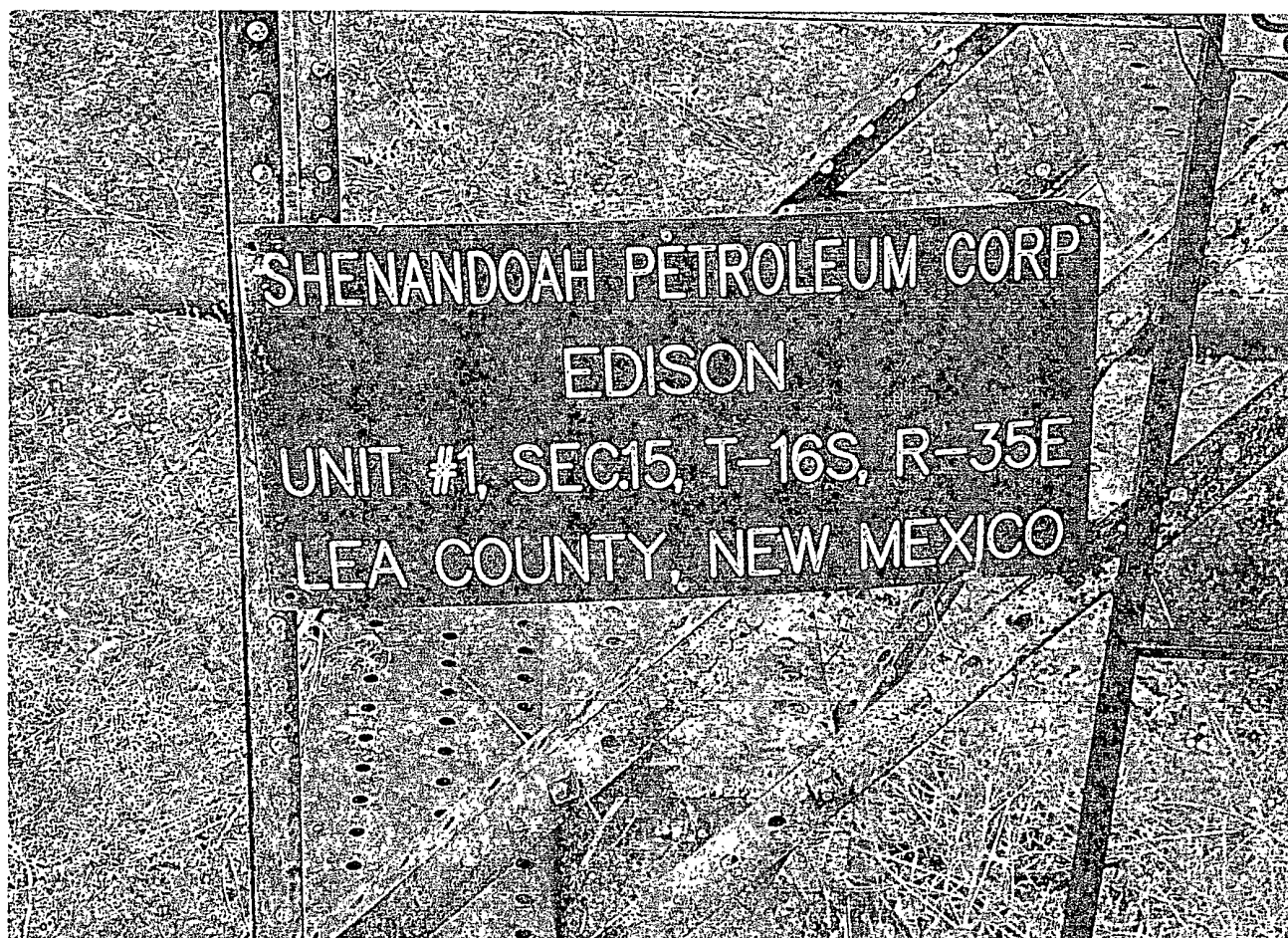
**COMPLIANCE OFFICER**

Hobbs OCD District Office

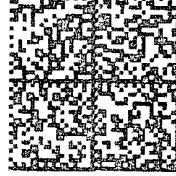
**Note:** Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data  
Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas



2/16/2012



EMNRD  
OIL CONSERVATION DIVISION  
1625 N FRENCH DRIVE  
HOBBS NM 88240



HASLER  
015H14150977  
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02/17/12  
Mailed From 88240  
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SHENANDOAH PETROLEUM CORP.  
24 SMITH ROAD SUITE 601  
MIDLAND TX 79705