

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

SUSANA MARTINEZ

Governor

John H. Bemis Cabinet Secretary Jami Bailey
Director
Oil Conservation Division

Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Intentity of Our Unvironment"

16-Oct-12

HOBBS OCD

KAISER-FRANCIS OIL CO

OCT 1 6 2012

PO BOX 21468

TULSA OK 74121

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.

INSPECTION DETAIL SECTION

STATE 8 No.007

J-8-16S-35E

30-025-08515-00-00

Inspection Date 10/16/2012

Type Inspection
Routine/Periodic

Inspector

Violation?

*Significant Non-Compliance? Corrective Action Due By:

Inspection No.

Violations

Maxey Brown

Yes

No 1/19/2013

iMGB1229027580

Violations

Absent Well Identification Signs (Rule 103) Failure to submit proper documentation (Rul

Comments on Inspection:

NEED TO INSTALL WELL SIGN. RULE 19.15.16 8 ALSO NEED TO PROVIDE C-103 SUBSEQUENT FOR RE-ENTRY, C-104 IF WELL WAS PRODUCED, C-105, C-103 MIT AND CHART IF WELL IS SET UP FOR INJECTION. THIS IS 1ST LETTER OF NON-

COMPLIANCE.

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.

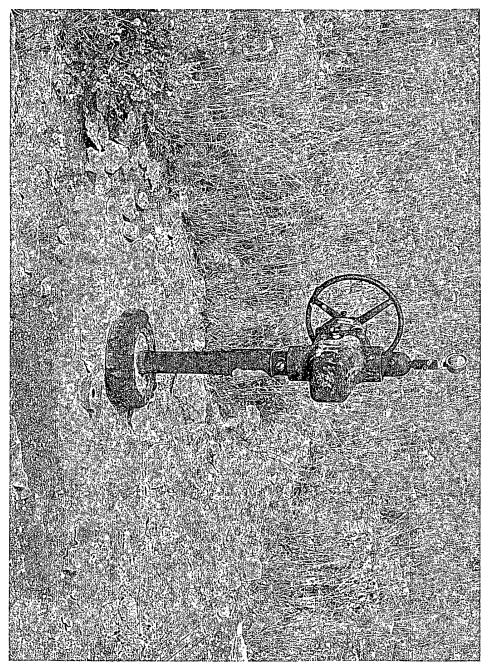
Sincerely,

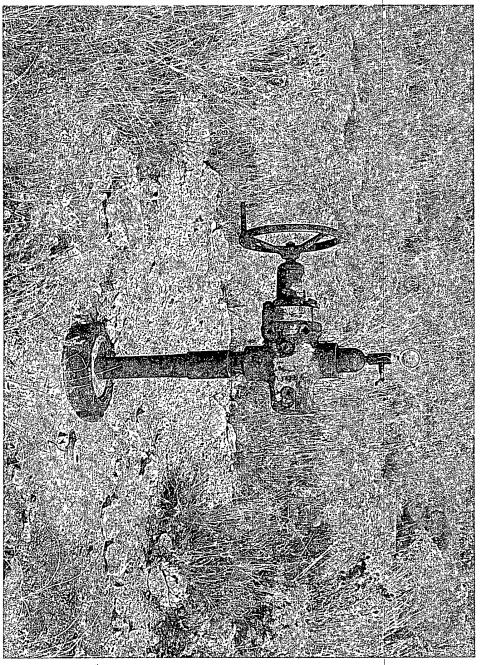
COMPLIANCE OFFICER

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





Kaiser-FRANCIS STATE 8#7 30-025-08515

10-9-2012

EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



015H14150977 \$0.45 10/16/12 Mailed From 88240

KAISER-FRANCIS OIL CO PO BOX 21468 TULSA OK 74121