State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary-Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary

Jami Bailey, Division Director Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

25-Jul-13

MACK ENERGY CORP PO BOX 960 11344 LOVINGTON HWY ARTESIA NM 88211

LETTER OF VIOLATION - Inspection

HOBBS OCD

JUL 2 5 2013

RECEIVED

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	
INSPECTION DETAIL SECTION	

STATE BD Inspection Date	36 No.001 Type Inspectio	n	Inspector	Violation?	J-36-22S-37E *Significant Non-Compliance?	30-025-10589-00- Corrective Action Due By:	-00 Inspection No.
07/24/2013	Routine/Peri Violations Surface Damage		Mark Whitaker	Yes	No	10/27/2013	iMAW1320558305
Comments	on Inspection:	OTHER DEI	NOT READY TO REL BRIS FROM EAST SIE reschedule an inspection	DE OF LOCA			

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. EMNRD OIL CONSERVATION DIVISION 1625 N FRENCH DRIVE HOBBS NM 88240



MACK ENERGY CORP PO BOX 960 ARTESIA, NM 88211-0960