



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

20-Dec-07

**RKI EXPLORATION & PRODUCTION, LLC**

3817 NW EXPRESSWAY SUITE 950

OKLAHOMA CITY OK 73112-

**LETTER OF VIOLATION - Inactive Well(s)**

Dear Operator:

A review of our records and recent inspection(s) indicate that the subject well(s) has been shut-in for an extended period of time. Rule 201 of the Rules and Regulation of the Oil Conservation Division provides that a well may be shut-in no longer than sixty days after suspension of drilling operations, upon determining that the well is no longer usable (e.g., a dry hole), or one year after last production. To comply with guidelines as established in the Rules and Regulations, corrective actions must be taken immediately and the well(s) brought into compliance.

The detail section below indicates preliminary findings and/or probable nature of the violation.

The following options are available:

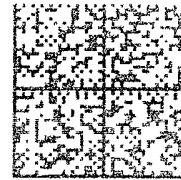
1. Immediately restore the well(s) to production, injection or disposal as applicable.
2. Request 'Temporary Abandoned' status pursuant to Rule 203, which requires that you set a plug and conduct a mechanical integrity test.
3. Submit a proposal to 'Plug and Abandon' the well(s) pursuant to Rule 202, proceed with plugging procedures on a timely basis after the proposal has been evaluated, amended and/or approved.

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.

***IDLE WELL INSPECTION DETAIL SECTION***

<b>TORO 16 STATE 001</b>	<b>M-16-19S-35E</b>	<b>30-025-35054-00-00</b>	<b>Inspection No. iLWH0735233487</b>
<b>Inspection Date:</b>	<b>12/18/2007 9:18:03 AM</b>	<b>Corrective Action Due by: 3/22/2008</b>	
<b>Type Inspection</b>	<b>Inspector</b>	<b>Violation?</b>	<b>*Significant Non-Compliance?</b>
Routine/Periodic	Buddy Hill	Yes	No
<b>Comments on Inspection:</b>	idle Well (Rule 201), Well is off electric..NEEDS TO BE T/A, P/A OR PUT BACK IN USE..FIRST NOTICE		

EMNRD  
OIL CONSERVATION DIVISION  
1625 N FRENCH DRIVE  
HOBBS NM 88240



014H15215325  
HASLER  
\$0.410  
10/20/2009  
Mailed From 88240  
U.S. POSTAGE

RKI EXPLORATION & PRODUCTION, LLC  
3817 NW EXPRESSWAY SUITE 950  
OKLAHOMA CITY, OK 73112