

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor Joanna Prukop Cabinet Secretary

Mark E. Fesmire, P.E. Director Oil Conservation Division

Field Inspection Program "Preserving the Integrity of Our Environment"

10-Jan-08

PRIDE ENERGY COMPANY

P.O. BOX 701602 TULSA OK 74170-1602

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
HIGH ECTION	DLIME	BECITON

BAGLEY No.001

A-9-11S-33E

30-025-20610-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant

Corrective

Inspection No.

01/10/2008 Drill / Deepen / Re-Entry Maxey Brown

Yes

Non-Compliance?

Action Due By:

4/14/2008

iMGB0801029601

Comments on Inspection:

WELL NEEDS TO BE RETURNED TO PROD., T/A'D OR P/A'D. NEED TO SUBMIT CURRENT C-103 TO REFLECT ANY WORK DONE SINCE 4-2007. ALSO REMOVE FLUID FROM PIT AND CLOSE PIT. RULE 50. REMOVE UNUSED DRILLING EQUIP AND CLEAN TRASH, 5 GAL PLASTIC BUCKETS, MISC. JUNK FROM LOCATION. RULE 13.

THIS IS 1 ST LETTER OF NON-COMPLIANCE.

SOUTH FOUR LAKES UNIT No.009

J-35-11S-34E

30-025-31188-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

01/09/2008 Routine/Periodic Maxey Brown

Yes

No

4/13/2008

iMGB0800958422

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

Location needs attention, Equipment OK, NEED TO REMOVE PILE OF OLD PIT LINING

FROM NW CORNER OF LOCATION. RULE 114. THIS IS 1ST LETTER OF NON-

COMPLIANCE.

SOUTH FOUR LAKES UNIT No.016

J-2-12S-34E

30-025-37248-00-00

Inspection Date 01/10/2008

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

File and Compliance Review Maxey Brown

Yes

Comments on Inspection:

No

2/14/2008

iMGB0801031854

WELL NEEDS TO BE PLUGGED. RULE 201. THIS IS 2ND 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. 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.

EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



\$0.410 \$0.410 \$0.410 01/10/2008 Mailed From 88240 US POSTAGE

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