



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

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Cabinet Secretary

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

Director

Oil Conservation Division

*Field Inspection Program*

*"Preserving the Integrity of Our Environment"*

22-Oct-07

## OIL & GAS OPERATIONS

3206 W WADLEY

MIDLAND TX 79705

**RECEIVED**

JAN 23 2008

**HOBBS OCD**

**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 H 17 No.001**

**E-17-20S-37E**

**30-025-20100-00-00**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/18/2007	Routine/Periodic	Buddy Hill	Yes	No	1/21/2008	iLWH0729158706
<b>Violations</b> General Housekeeping (Rule 114)						
<b>Comments on Inspection:</b> VERY TRASHY @ BATTERY..CLEAN UP WOULD BE GOOD..GENERAL HOUSEKEEPING IS BAD..OLD TANK TOPS AND BOTTOMS AND JUNK EQUIPMENT AROUND BATTERY SITE NEEDS TO BE CLEANED UP..FIRST NOTICE						

1-25-08

**Greg Short**  
3206 W Wadley Ave Midland TX 79705  
(432) 520-7042

## Oil & Gas Operations

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Monday, January 21, 2008

**Mr. Buddy Hill**  
**Oil Conservation Division, Hobbs District**  
**1625 N. French Drive**  
**Hobbs, NM 88240**

**RECEIVED**

JAN 23 2008

Re: Letter of Violation, State H-17 Lease

**HOBBS OCD**

Dear Mr. Hill:

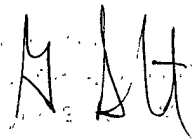
Thank you for your letter in which you point out that some battery cleanup is desirable at the subject location. We have located a facility that will accept our junk metal, and we will have it removed from the battery site by the end of March 2008. The old material was left by the previous operator, and we have removed the greater part of the junk, but, as you pointed out, we have more work to do.

Since your letter, a couple of things have hindered and delayed our progress on the housekeeping at the site. To reduce the possibilities of oil and/or water spills at the site, we have reworked both the water and oil dumps and piping at the facility. Increased pressure in the Rice water disposal system (due to their construction) increased the likelihood of a battery spill. We worked with them, improved our fluid piping, and believe that problem is solved. Also, the road has been improved to provide better access to the site.

In addition I have been ill and out of commission for a couple months. I'm better now and will be working with the pumper to make the improvements needed with respect to the overall appearance of the facility. We ask for your patience with us, as we also desire to progress with the general clean up.

Thank you for your patience and assistance in this matter.

Sincerely,



OK!  
1-25-08  
[Signature]