



# 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"*

29-Jan-08

**PENROC OIL CORP**

PO BOX 2769

HOBBS NM 88241-2769

**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**

**CABOT STATE No.001**

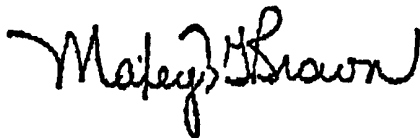
**I-14-11S-33E**

**30-025-21864-00-00**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/29/2008	Routine/Periodic	Maxey Brown	Yes	No	5/3/2008	iMGB0802940564
<b>Comments on Inspection:</b> Well Sign (Rule 103). UNABLE TO READ SIGN. NEED TO REPLACE WITH SIGN THAT REFLECTS CURRENT OPERATOR. (SIGN AT TANK BATTERY IS OK). ALSO STUFFING BOX LEAKING. RULE 13. (LIVESTOCK IN AREA). PILE OF OIL CONTAMINATED SOIL NORTH OF WELLHEAD MUST BE REMOVED. RULE 116. 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 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.

Sincerely,



Hobbs OCD District Office

**COMPLIANCE OFFICER**

**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



HASLER

014H15215335

**\$0.41**

01/30/2008

Mailed From 88240

US POSTAGE

PENROC OIL CORP  
PO BOX 2769  
HOBBS NM 88241-2769