

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop Cabinet Secretary

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

Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Ouv Unvironment"

04-Mar-08

SABER RESOURCES LLC

400 W ILLINOIS AVE SUITE 950 MIDLAND TX 79701

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.

SHELTON No.006				D-26-14S-37E 30-025-05133-00-00		00
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
03/04/2008	Routine/Perio	dic Mark Whitaker	Yes	No	4/30/2008	MAW0806438526
	Violations					
General Housekeeping (Rule 114)						
Comments	on Inspection:	No change in well status. Well still s REMOVE CHEMICAL DRUMS (S	_			ТО
T D POPE 2 Inspection Date	26 No.004 Type Inspection	Inspector	Violation?	M-26-14S-37E *Significant Non-Compliance?	30-025-05141-00-0 Corrective Action Due By:	00 Inspection No.

INSPECTION DETAIL SECTION

Date Type Inspection Inspector Violation? Non-Compliance? Action Due By: Inspection No. 03/04/2008 Routine/Periodic Mark Whitaker Yes No 4/4/2008 iMAW0806435995

Violations

General Housekeeping (Rule 114)

Comments on Inspection: Well is in-active. Intermediate valve open. Sub-pump in hole. Connected to flow line. NOT

RUNNING. Tbg piled up on east side of location. NEED TO REMOVE CHEMICAL DRUMS

(GENERAL HOUSEKEEPING RULE 114). MW

T D POPE 26 No.006 J-26-14S-37E

30-025-05142-00-00

Date 03/04/2008

Inspection

Type Inspection Routine/Periodic Inspector

*Significant Violation? Non-Compliance?

Corrective Action Due By:

Inspection No.

Mark Whitaker

No

6/7/2008

iMAW0806441660

Violations

Absent Well Identification Signs (Rule 103)

Surface Leaks/Spills

Comments on Inspection:

No well Sign (Rule 103). Oil pooled on ground around wellhead inside a diked area. NEED TO INSTALL WELL SIGN. IDENTIFY CAUSE OF FLUID AROUND WELLHEAD AND REPAIR. REMOVE CONTAMINATED SOIL AND DISPOSE OF PROPERLY. ALSO NEED TO T/A,

PLUG, OR RETURN WELL TO PRODUCTION. 1st letter on non-compliance. MW

Yes

Yes

T D POPE 26 No.010

Mark Whitaker

P-26-14S-37E Corrective

30-025-05145-00-00

Inspection Date

03/04/2008

Inspection

Date

Type Inspection Routine/Periodic Inspector Violation?

*Significant Non-Compliance? No

Action Due By: 4/30/2008

Inspection No. iMAW0806443149

Violations

Absent Well Identification Signs (Rule 103)

Comments on Inspection:

No well Sign (Rule 103). NEED TO INSTALL WELL SIGN. 1st letter of non-compliance. MW

T D POPE 26 No.017

Type Inspection

Inspector Mark Whitaker Violation? Yes

*Significant Non-Compliance? No

I-26-14S-37E

30-025-05150-00-00 Corrective Action Due By:

6/7/2008

Inspection No. iMAW0806442181

03/04/2008 Routine/Periodic Violations

Absent Well Identification Signs (Rule 103)

Surface Leaks/Spills

Comments on Inspection:

No well Sign (Rule 103). Wellhead has been leaking, NEED TO INSTALL A WELL SIGN, ALSO REPAIR CAUSE OF WELLHEAD LEAK, REMOVE CONTAMINATED SOIL, AND DISPOSE

OF PROPERLY. ALSO NEED TO FILE C-103 TO T/A, PLUG, OR RETURN TO

PRODUCTION1st letter of non-compliance.

T D POPE 26 No.002

N-26-14S-37E

30-025-37253-00-00

Inspection

Type Inspection Date

Inspector

*Significant Violation? Non-Compliance?

Corrective Action Due By:

Inspection No.

03/04/2008 Routine/Periodic Mark Whitaker

Yes

No

4/4/2008

iMAW0806435357

Violations

Absent Well Identification Signs (Rule 103)

Comments on Inspection:

No well Sign (Rule 103). NEED TO INSTALL WELL SIGN. 2nd letter of non-compliance for no

sign. MW

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

SABER RESOURCES LLC 400 W ILLINOIS AVE SUITE 950 MIDLAND, TX 79701



HASLER

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Mailed From 88240

US POSTAGE