

# CAVIN & INGRAM, P.A.

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Gas Law

March 7, 2008

Via Fax to (575) 393-0720 & U.S. Mail

Chris Williams, District Supervisor  
New Mexico Oil Conservation Division  
1625 North French Drive  
Hobbs, NM 88240

**RECEIVED**

**MAR 10 2008**

**HOBBS OCD**

Re: Harton No. 1 Well, API No. 30-025-28540;  
Endeavor Energy Resources, L.P., Operator;

The Following Lands in Lea County, New Mexico:  
Township 13 South, Range 36 East, NMPM  
Section 7: All less 7.999 acres

Dear Mr. Williams:

This letter is sent to you on behalf of our client, W. Presley Duncan, the owner of the surface of the above-referenced lands. This letter is sent to notify the OCD of an unsafe condition existing at the above-described wellsite and of pollution occurring to the surface at said wellsite.

Regarding the unsafe condition, the operator of this well, Endeavor Energy Resources, L.P. ("Endeavor"), received approval from the OCD on January 8, 2008 to flare gas produced from said well until June 10, 2008 pending completion of a gas line. Since that time, Mr. Duncan has discovered that Endeavor is flaring gas through a 2" pipe which stands approximately 6' tall, and is only supported by guywires. The flare outlet is approximately 6' from the ground. The flare outlet is not fenced off, and Mr. Duncan's tenant's cattle, which graze on these lands, could easily come into contact with the guywires, knock the pipe over, and cause a fire. It should be noted that there have previously been fires in this region due to oil and gas operations. Photographs of the flare mechanism taken on February 24, 2008 are attached with this letter.

Endeavor's method of flaring gas therefore appears to be in violation of OCD safety regulations, including NMAC 19.15.3.114(A), which requires that waste be burned or disposed of in such a manner as to avoid creating a fire hazard, and that fire hazards be no closer than 150 feet from oil wells, and potentially NMAC 19.15.3.118(F)(4), which, at least as to hydrogen sulfide gas, requires that flare outlets be located no closer than 150 feet from the wellbore. This unsafe

Chris Williams, Direct Supervisor  
New Mexico Oil Conservation Division  
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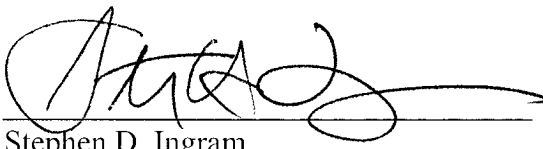
condition is jeopardizing the rights of the surface owner of these lands. This is to request that the OCD inspect the flare system erected by Endeavor and require Endeavor to immediately rectify this unsafe condition before damage occurs to Mr. Duncan's lands.

Regarding pollution at the wellsite, there is oil leakage around the wellsite extending across the road leading to the wellsite on Mr. Duncan's lands. This does not appear to have been properly remediated. The oil leakage was graded over but the contaminated soil was not removed. This is to request that the OCD inspect the wellsite and require Endeavor to remediate the damage caused to Mr. Duncan's lands. Photographs previously taken of the wellsite are attached with this letter for your information.

If you have any questions or need any further information in order to process this request, please contact the undersigned. Thank you for your assistance.

Sincerely,

CAVIN & INGRAM, P.A.

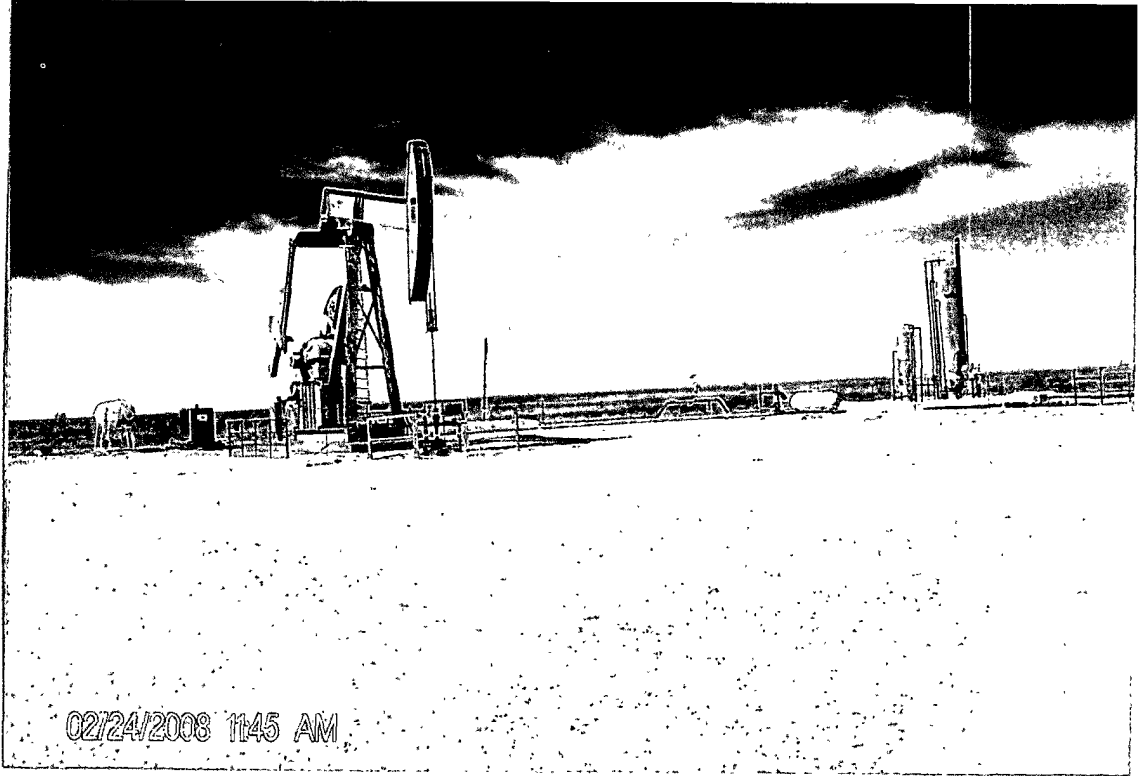
By:   
Stephen D. Ingram

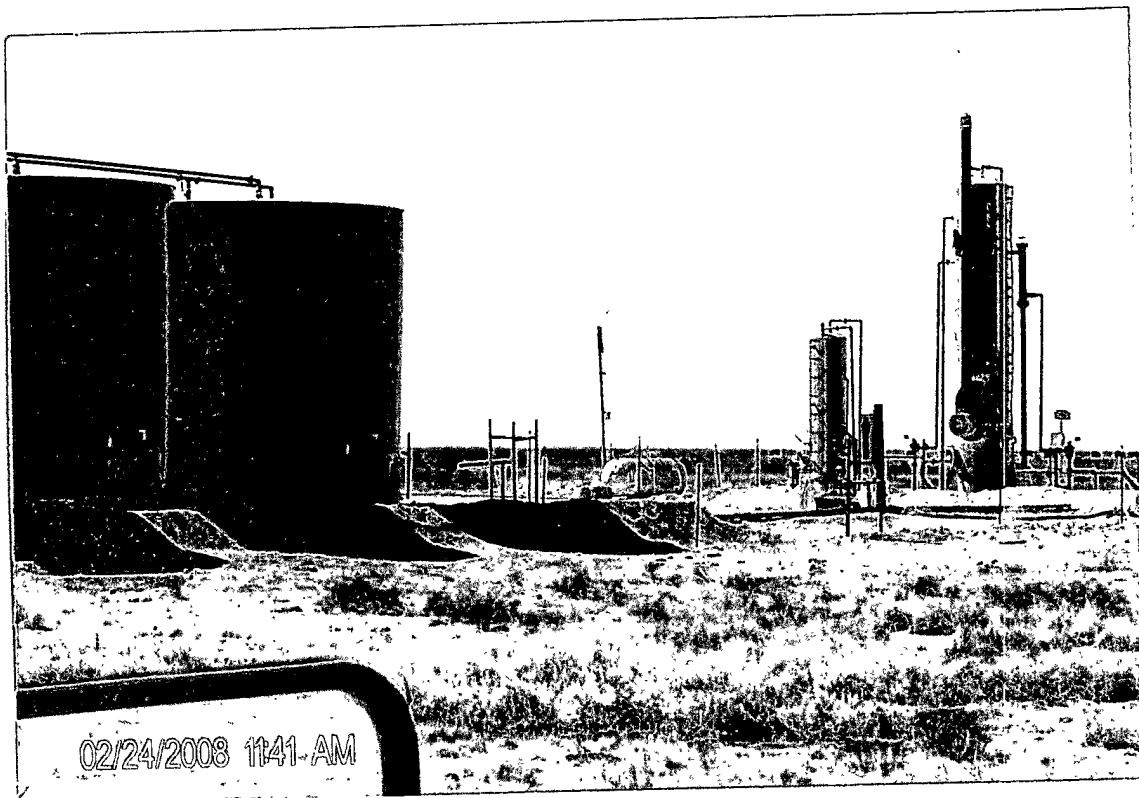
SDI:tg  
Enclosures

cc w/enc: Endeavor Energy Resources, LP  
W. Presley Duncan

ENDEAVOR ENERGY RESOURCES, L.P.  
HARTON STATE #1  
2310' FNL & 990' FEL  
SEC.07-T13S-R36E  
API #30-025-28540  
LEA CO., NEW MEXICO

02/24/2008 11:52 AM





02/24/2008 11:41-AM

