

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 Our Environment"

08-Apr-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.

INSPECTION DETAIL SECTION

T D POPE No.021	
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A-35-14S-37E

30-025-05195-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance? Corrective
Action Due By:

Inspection No.

03/10/2008

Routine/Periodic

Mark Whitaker

Yes

No

5/30/2008

iMAW0807051144

Violations

Absent Well Identification Signs (Rule 103)

Idle well (Rule 201)

Comments on Inspection:

No well sign. Well plugged in 1999 by Polaris Production. As per C-103 filed by Platinum Exploration in 2005, well re-entered. No change of operator filed. No production reported in over 16 months. NEED TO INSTALL WELL SIGN, SUBMIT CHANGE OF OPERATOR AND SUBMIT PROCEDURE TO T/A, PLUG OR RETURN WELL TO PRODUCTION. 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 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

Dyad Petroleum

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



US POSTAGE

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