



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"

10-Jul-08

L E JONES OPERATING INC

PO BOX 1185

DUNCAN OK 73534

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

MCNEILL No.001				B-33-19S-38E	30-025-36044-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/10/2008	Routine/Periodic	Mark Whitaker	Yes	No	9/10/2008	iMAW0819239414
Comments on Inspection:		Location needs attention. Equipment OK. Surplus chemical drums. Well sign more than 50 feet from well. NEED TO REMOVE SURPLUS CHEMICAL DRUMS (GENERAL HOUSEKEEPING RULE 114) AND MOVE WELL SIGN WITHIN 50 FEET OF WELL. 1st letter of non-compliance. MW				

MCNEILL No.002				G-33-19S-38E	30-025-36301-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/10/2008	Routine/Periodic	Mark Whitaker	Yes	No	9/10/2008	iMAW0819238279
Comments on Inspection:		Well sign (Rule 103). Sign must be within 50 feet of well. NEED TO MOVE WELL SIGN. 1st letter of non-compliance. MW				

MCNEILL A No.001				H-33-19S-38E	30-025-36401-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/10/2008	Routine/Periodic	Mark Whitaker	Yes	No	9/10/2008	iMAW0819239836
Comments on Inspection:		Location needs attention. Equipment OK. Oil staining around wellhead. Surplus tubular goods, chemical drums, and junk on east side of location. NEED TO REMOVE CHEMICAL DRUMS AND SURPLUS JUNK FROM LOCATION. 1st letter of non-compliance. MW				

MCNEILL No.003

C-33-19S-38E

30-025-36682-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/10/2008	Routine/Periodic	Mark Whitaker	Yes	No	9/10/2008	iMAW0819238774
Comments on Inspection: Location and equipment in good shape. Surplus chemical drums on location. NEED TO REMOVE SURPLUS CHEMICAL DRUMS (GENERAL HOUSEKEEPING RULE 114). 1st letter of non-compliance. MW						

MCNEILL 32 No.001

P-32-19S-38E

30-025-36690-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/10/2008	Routine/Periodic	Mark Whitaker	Yes	No	9/10/2008	iMAW0819236597
Violations Absent Well Identification Signs (Rule 103)						
Comments on Inspection: No well sign (Rule 103). NEED TO INSTALL WELL SIGN WITH INFORMATION CURRENTLY REQUIRED UNDER RULE 103. 1st letter of non-compliance. MW						

MCNEILL B No.002

O-33-19S-38E

30-025-36726-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/10/2008	Routine/Periodic	Mark Whitaker	Yes	No	9/10/2008	iMAW0819240353
Comments on Inspection: Location needs attention. Equipment OK. Oil staining at wellhead. Surplus chemical drums on location. Drilling pit closed. NEED TO REMOVE SURPLUS CHEMICAL DRUMS (GENERAL HOUSEKEEPING RULE 114).						

MCNEILL D No.002

K-33-19S-38E

30-025-37589-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/10/2008	Routine/Periodic	Mark Whitaker	Yes	No	9/10/2008	iMAW0819237823
Comments on Inspection: Location needs attention. Equipment OK. Surplus chemical drums on location. NEED TO REMOVE SURPLUS CHEMICAL DRUMS (GENERAL HOUSEKEEPING RULE 114). 1st letter of non-compliance. 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 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,


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



HASLER
014H15215335
\$0.420
07/10/2008
Mailed From 88240
US POSTAGE

L E JONES OPERATING INC
PO BOX 1185
DUNCAN, OK 73534-1185