

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"

30-Jul-08

PRIDE ENERGY COMPANY

P.O. BOX 701602 TULSA OK 74170-1602

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

Yes

INBE 24 No.001 Inspection

Date

07/29/2008

Type Inspection

Routine/Periodic

Inspector

Maxey Brown

*Significant Violation? Non-Compliance?

B-24-11S-33E

No

30-025-38084-00-00 Corrective

Inspection No. Action Due By: iMGB0821144349 8/12/2008

Violations

Emergency/Temporary Pits

Comments on Inspection:

DRILLING PITS RULE 17. FENCE IS DOWN AND OR INADEQUATE. NEED TO REPAIR OR INSTALL FENCING IMMEDIATELY!! CATTLE AROUND LOCATION. DRILLING PITS CONTAIN FLUID. PLEASE SUBMIT PIT CLOSURE PLAN C-144 AS PER RULE 17. MISC. JUNK SCATTERED AROUND LOCATION. RIG UP TRUCKS HAVE BEEN DRIVING IN PASTURE AROUND LOCATION. 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 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,

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

FIRST CLASS



017H15554612 \$0.420

07/30/2008

Mailed From 88240

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