



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"

15-Sep-08

BLAKE PRODUCTION CO INC

1601 NW EXPRESSWAY SUITE 1200

OKLAHOMA CITY OK 73118

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

SOUTHEAST LEA UNIT No.001

J-26-20S-35E

30-025-22203-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
09/12/2008	Routine/Periodic	Mark Whitaker	Yes	No	11/14/2008	iMAW0825650948

Violations

Absent Well Identification Signs (Rule 103)

General Housekeeping (Rule 114)

Comments on Inspection: Location needs attention. Equipment OK. Belts off sheave. Belt guard and control box on ground. Surplus rods and tbg north of unit. Power off. Sign at well not legible. No sign at battery. NEED TO INSTALL NEW WELL SIGN AT WELL AND BATTERY (SEE RULE 103) AND REMOVE SURPLUS EQUIPMENT AND DEBRIS FROM LOCATION. (GENERAL HOUSEKEEPING RULE 114). 1st letter of non-compliance. MW

SOUTHEAST LEA UNIT No.002

L-25-20S-35E

30-025-22513-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
09/12/2008	Routine/Periodic	Mark Whitaker	Yes	No	11/14/2008	iMAW0825651461
Violations General Housekeeping (Rule 114)						

Comments on Inspection: Location needs attention. Equipment OK. Chemical drum with no placard. Wire rope and other debris. Blow down line connected to flowline and vented to pasture to north. NEED TO REMOVE CHEMICAL DRUM AND OTHER DEBRIS FROM LOCATION AND DISPOSE OF PROPERLY (GENERAL HOUSEKEEPING RULE 114). ALSO NEED TO DISCONNECT BLOWDOWN LINE AND REMOVE (RULE 116). 1st letter of non-compliance. MW

SOUTHEAST LEA UNIT No.003

G-26-20S-35E

30-025-27898-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
09/12/2008	Routine/Periodic	Mark Whitaker	Yes	No	11/14/2008	iMAW0825650135
Violations Absent Well Identification Signs (Rule 103) General Housekeeping (Rule 114)						

Comments on Inspection: Pumping unit on well with Ajax engine. Stackpac and dehydrator unit south of well. Location need attention. Drums and plastic oil containers scattered around location. Rods and tbg on ground north of well. Well sign not legible. NEED TO REPLACE WELL SIGN (RULE 113) AND REMOVE ALL SURPLUS EQUIPMENT, CHEMICAL DRUMS AND DEBRIS FROM LOCATION (GENERAL HOUSEKEEPING RULE 114). 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

**FIRST
CLASS**



HASLER
017H15554612
\$0.420
09/15/2008
Mailed From 88240
US POSTAGE

BLAKE PRODUCTION CO INC.
1601 NW EXPRESSWAY SUITE 1200
OKLAHOMA CITY, OK 73118