



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"

20-May-09

BURGUNDY OIL & GAS OF N M INC

401 W TEXAS STE 1003

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

EUNICE MONUMENT UNIT No.027				P-24-20S-36E	30-025-04318-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
05/19/2009	Routine/Periodic	Mark Whitaker	Yes	No	6/29/2009	iMAW0913937497
Violations						
Absent Well Identification Signs (Rule 103)						
Comments on Inspection: No well Sign (Rule 103). Need to install well sign. 1st notice of non-compliance. Please notify district office when sign has been installed so we can schedule an inspection. MW						

EUNICE MONUMENT UNIT No.028

M-19-20S-37E

30-025-06170-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
05/19/2009	Routine/Periodic	Mark Whitaker	Yes	No	8/22/2009	iMAW0913939079
Violations Surface Damage/Restoration						

Comments on Inspection: DO NOT RELEASE BONDS. Wellhead and other bebris stacked north of marker. Piece of braided wire rope sticking out of ground northwest of marker. 1" riser sticking out of ground north of marker. Bolts sticking out of concrete base. Contaminated soil north and south of marker. Head switch, pipe railing, and riser east of marker.NEED TO REMOVE WELLHEAD, TRASH, WIRE ROPE, RISER 2 FEET BELOW GROUND LEVEL, HEAD SWITCH, PIPE GUARD RAILING AND RISER 2 FEET BELOW GROUND LEVE, AND CONTAMINATED SOIL. CUT ALL BOLTS OFF FLUSH WITH CONCRETE BASE. SUBMIT C-103 FOR P/A'D WELLS WHEN WORK IS COMPLETE. 1st notice 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 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

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
017H15554612
\$0.440
05/21/2009
Mailed From 88240
US POSTAGE

BURGUNDY OIL & GAS OF NM INC
401 W TEXAS STE 1003
MIDLAND, TX 79701