

## NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON** 

Governoi

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E. Director Oil Conservation Division

24-Jun-09

GMX RESOURCES, INC.

9400 N. BROADWAY, SUITE 600 OKLAHOMA CITY OK 73114-

**LETTER OF VIOLATION - Inactive Well(s)** 

## Dear Operator:

A review of our records and recent inspection(s) indicate that the subject well(s) has been shut-in for an extended period of time Rule 201 of the Rules and Regulation of the Oil Conservation Division provides that a well may be shut-in no longer than sixty days after suspension of drilling operations, upon determining that ther well is no longer usable (e.g., a dry hole), or one year after last production. To comply with guidelines as established in the Rules and Regulations, corrective actions must be taken immediately and the well(s) brought into compliance.

The detail section below indicates preliminary findings and/or probable nature of the violation.

The following options are available:

- 1. Immediately restore the well(s) to production, injection or disposal as applicable.
- 2 Request 'Temporary Abandoned' status pursuant to Rule 203, which requires that you set a plug and conduct a mechanical integrity test
- 3. Submit a proposal to 'Plug and Abandon' the well(s) pursuant to Rule 202, proceed with plugging procedures on a timely basis after the proposal has been evaluated, amended and/or approved.

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.

## IDLE WELL INSPECTION DETAIL SECTION

**SUNRAY 682 LTD 003** 

H-36-9S-33E

30-025-22946-00-00

Inspection No. iMGB0917556567

Inspection Date: Type Inspection

6/24/2009 3:42:47 PM

Corrective Action Due by: 9/27/2009 Violation?

\*Significant Non-Compliance?

Routine/Periodic

Inspector

No

Comments on Inspection:

Maxey Brown

Yes

Idle Well (Rule 19.15.25 8) NO PROD REPORTED IN 139 MONTHS. NEED TO RETURN TO PROD., T/A, OR P/A WELL. ALSO NEED CURRENT OPERATOR ON SIGN (RULE 19.15.16.8). NEED TO REMOVE SURPLUS EQUIPMENTAND CONNECTIONS FROM

LOCATION (RULE 19 15 10.8) THIS IS 1ST LETTER OF NON-COMPLIANCE.

TWITTY BHF STATE 001

J-36-9S-33E

30-025-37466-00-00

Inspection No. iMGB0917555467

Inspection Date:

6/24/2009 3:24:27 PM

Corrective Action Due by: 9/27/2009

Type Inspection

Inspector

Violation?

\*Significant Non-Compliance?

Routine/Periodic

Comments on Inspection:

Maxey Brown

Yes

No

Idle Well (Rule 19.15 25.8)NO PROD REPORTED IN 34 MONTHS. NEED TO RETURN TO PROD,, T/A, OR P/A WELL ALSO NEED CURRENT OPERATOR ON SIGN. ( RULE

19 15 16 8) THIS IS 1ST LETTER OF NON-COMPLIANCE.

Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infra-

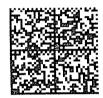
structure of the oil and gas industry

Sincerely,

Hobbs OCD District Office

<sup>\*</sup> Significant Non-Compliance events are reported directly to the U.S. Environmental Protection Agency, Region VI, Dallas, Texas

EMNRD OIL CONSERVATION DIVISION 1625 N FRENCH DRIVE HOBBS NM 88240



017H15554612 \$0.449 06/25/2009 Mailed From 88240

GMX RESOURCES, INC. 9400 N. BROADWAY, SUITE 600 OKLAHOMA CITY OK 73114