

NEW MEXICO ENERGY, MINERALS 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"

23-Sep-09

Billy(Bill)E.Prichard Mar Oil and Gas Corp. 125 Greathouse Village Decatur, TX 76234

MAR OIL & GAS CORP. PO BOX 5155

SANTA FE NM 87502

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

I-1-21S-36E **EUMONT HARDY UNIT No.042** Inspection

Type Inspection Date, Inspector

*Significant Violation? Non-Compliance? Yes

30-025-04435-00-00 Corrective

09/23/2009 Pressure Test Sylvia Dickey

No

Inspection No. Action Due By: 12/27/2009 iSAD0926659108

Comments on Inspection:

NO Action Taken To bring Well into Compliance. WELL WAS UNABLE TO PT, NO WORK HAS BEEN DONE TO REPAIR WELL. ****OPERATOR IN VIOLATION OF NMOCD 19.15.26.9 Casing and Cementing of Injection Wells AND 19.15.26.10 Operation and Maintenance

EUMONT HARDY UNIT No.031

Type Inspection

Pressure Test

Inspector Sylvia Dickey Violation? Yes

*Significant Non-Compliance?

A-1-21S-36E

Corrective Action Due By:

30-025-04436-00-00

12/27/2009

Inspection No. iSAD0926659158

Comments on Inspection:

Inspection

Date

09/23/2009

NO Action Taken To bring Well into Compliance. WELL WAS UNABLE TO PT, NO WORK HAS BEEN DONE TO REPAIR WELL. ****OPERATOR IN VIOLATION OF NMOCD

19.15.26.9 Casing and Cementing of Injection Wells AND 19.15.26.10 Operation and Maintenance

Inspection Date 09/23/2009	HARDY UNIT Type Inspection Pressure Test		Inspector Sylvia Dickey	Violation? Yes	B-36-20S-37E *Significant Non-Compliance? No	30-025-06220-00-00 Corrective Action Due By: 12/27/2009 iS	Inspection No. SAD0926659218
Comments	on Inspection:	HAS BEEN DO	NE TO REPAIR W	ELL. ****OF	ERATOR ÎN VIOLA	BLE TO PT, NO WORK TION OF NMOCD Operation and Mainten	
EUMONT I	HARDY UNIT			*	H-36-20S-37E *Significant	30-025-06224-00-00 Corrective	, .
Date 09/23/2009	Type Inspection Bradenhead		Inspector Sylvia Dickey	Violation? Yes	Non-Compliance?	Action Due By: 12/27/2009 iS	Inspection No. SAD0926640598
Comments	on Inspection:		•	E SURFACE		ATOR IN VIOLATION	OF
EUMONT I	HARDY UNIT	No.019			L-36-20S-37E	30-025-06227-00-00	
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective	Inspection No.
09/23/2009	Pressure Test		Sylvia Dickey	Yes	Non-Compusince: No	Action Due By: 12/27/2009 iS	SAD0926658825
Comments	on Inspection:	HAS BEEN DO	n To bring Well into NE TO REPAIR W	o Complianco ELL. ****OF	WELL WAS UNAI	BLE TO PT, NO WORK	
EUMONT I	HARDY UNIT	No.036			D-5-21S-37E	30-025-06407-00-00	
Inspection Date	Type Inspection		Inspector	Violation?	*Significant	Corrective	Inspection No.
09/23/2009	Pressure Test		Sylvia Dickey	Yes	Non-Compliance?	Action Due By: 12/27/2009 iS	SAD0926659008
Comments	on Inspection:	HAS BEEN DO	NE TO REPAIR W	ELL. ****OF	ERATOR IN VIOLA	BLE TO PT, NO WORK TION OF NMOCD Operation and Mainten	
EUMONT I	HARDY UNIT	No.047			K-6-21S-37E	30-025-06412-00-00	
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
09/23/2009	Pressure Test		Sylvia Dickey	Yes	No		SAD0926658390
Comments	on Inspection:	HAS BEEN DO	n To bring Well into NE TO REPAIR W	o Compliance ELL. ****OF	ERATOR IN VIOLA	BLE TO PŤ, NÓ WORK	
EUMONT I	HARDY UNIT	No.038			I-6-21S-37E	30-025-06414-00-00	
Inspection	Type Inspection		Inspector	Violation?	*Significant	Corrective	Inspection No.
Date 09/23/2009	Pressure Test		Sylvia Dickey	Ŷioiation.	Non-Compliance?	Action Due By: 12/27/2009 is	SAD0926658786
07/25/2007		NO Action Take	•	o Compliance	e. WELL WAS UNAI	BLE TO PT, NO WORK	
¹ Comments	on Inspection:	HAS BEEN DO	NE TO REPAIR W			ATION OF NMOCD Operation and Mainten	ance
	on Inspection: HARDY UNIT	HAS BEEN DO 19.15.26.9 Casir *****	NE TO REPAIR W				
EUMONT I	HARDY UNIT	HAS BEEN DO 19.15.26.9 Casir ***** No.035	NE TO REPAIR W	f Injection W	G-6-21S-37E *Significant	Operation and Mainten 30-025-06422-00-00 Corrective	
EUMONT I		HAS BEEN DO 19.15.26.9 Casir ***** No.035	NE TO REPAIR W		G-6-21S-37E	30-025-06422-00-00 Corrective Action Due By:	

EUMONT HARDY UNIT No.026

C-5-21S-37E

30-025-09899-00-00

Inspection Date 09/23/2009

Type Inspection Bradenhead

Inspector

*Significant Violation? Non-Compliance?

Corrective

Action Due By:

Inspection No.

Sylvia Dickey

Yes

No

12/27/2009

iSAD0926639985

Comments on Inspection:

FAILURE TO REPAIR PRIOR YEAR FAILURE; SURFACE / INTERMEDIATE VALVE

NEEDS TO BE VERIFIED. HAS NOT BEEN FIXED. OPERATOR IN VIOLATION OF

NMOCD RULE *****19.15.26.10 Operation and Maintenance ****

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



MAR OIL & GAS CORP. P.O. BOX 5155 SANTA FE, NM 87502 EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



\$0.449 \$0.449 09/23/2009 Mailed From 88240

Billy(Bill)E.Prichard Mar Oil and Gas Corp. 125 Greathouse Village Decatur, TX 76234