

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"

14-Apr-10

MOSS PETROLEUM CO 2100 ROSS AVENUE, SUITE 970 DALLAS TX 75201

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

D P PECK I Inspection Date	No.004 Type Inspectio	n I	nspector	Violation?	N-26-12S-37E *Significant Non-Compliance?	30-025-05054-00- Corrective Action Due By:	00 Inspection No.
04/13/2010	Complaint R	esponse N	Maxey Brown	Yes	No	7/17/2010	iMGB1010356792
	Violations						
Unauthorized Release							
Comments on Inspection: RULE 19.15.29			NEED C-141 FO	R FOR TAN	K BATTERY RELE.	ASE. ALSO INCLU	DE
		PLANS FOR REMEDIATION. QUESTIONS SHOULD BE DIRECTED TO MR. LARRY					
		JOHNSON 575-393-6161 EXT 111. (CHECKED TANK BATTERY, PRODUCED FLUIDS					
		HAVE SPILLED INTO DIKED AREA AROUND TANKS). WELL #4 HAS POLISH ROD					
		PARTED. (PHOTOS TAKEN OF TANK BATTERY). MGB.					

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.

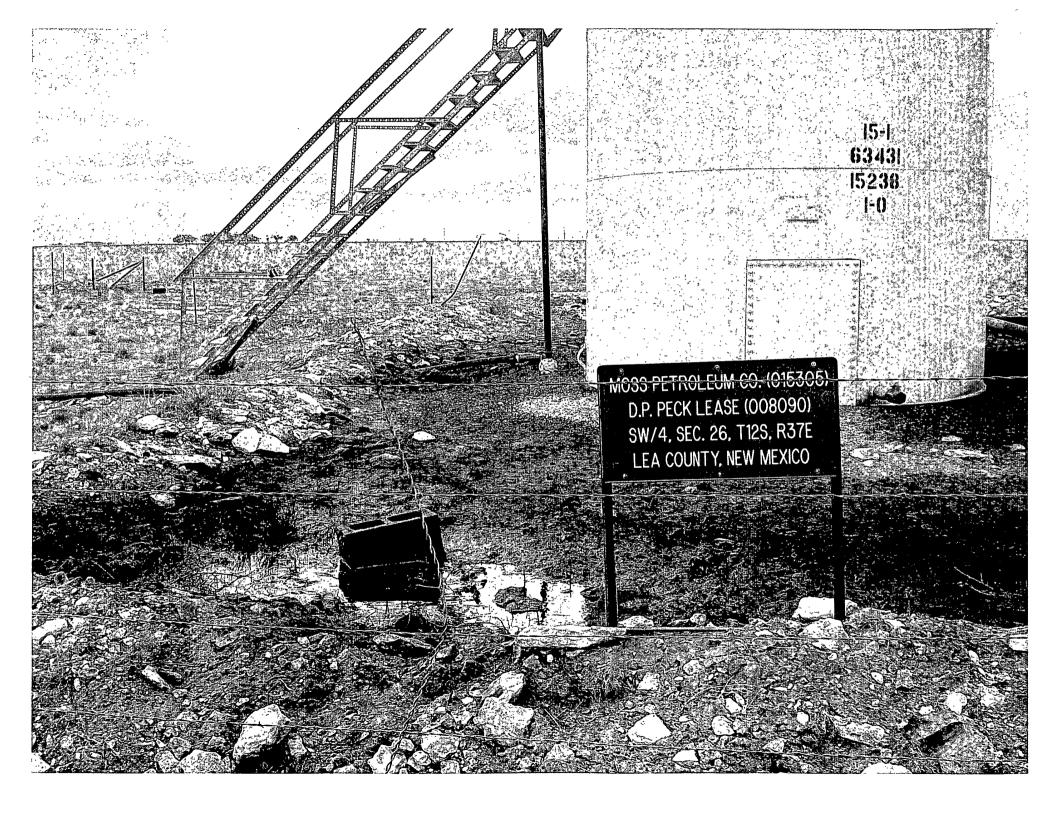
Sincerely,

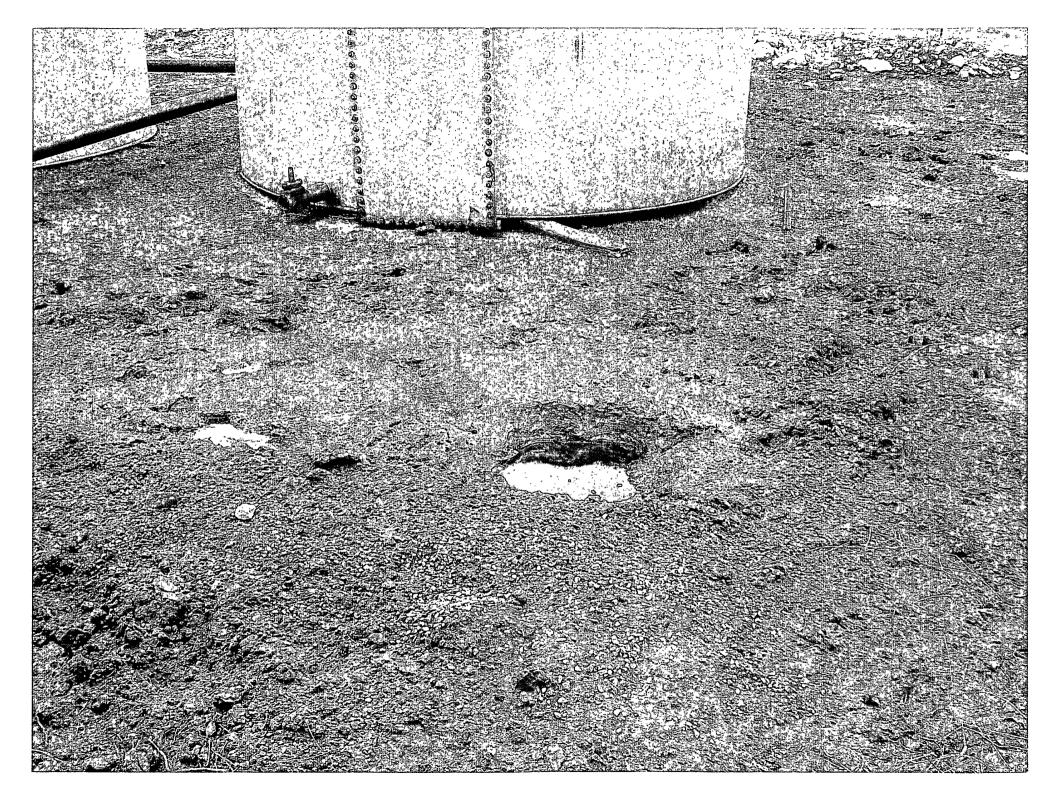
COMPLIANCE OFFICER

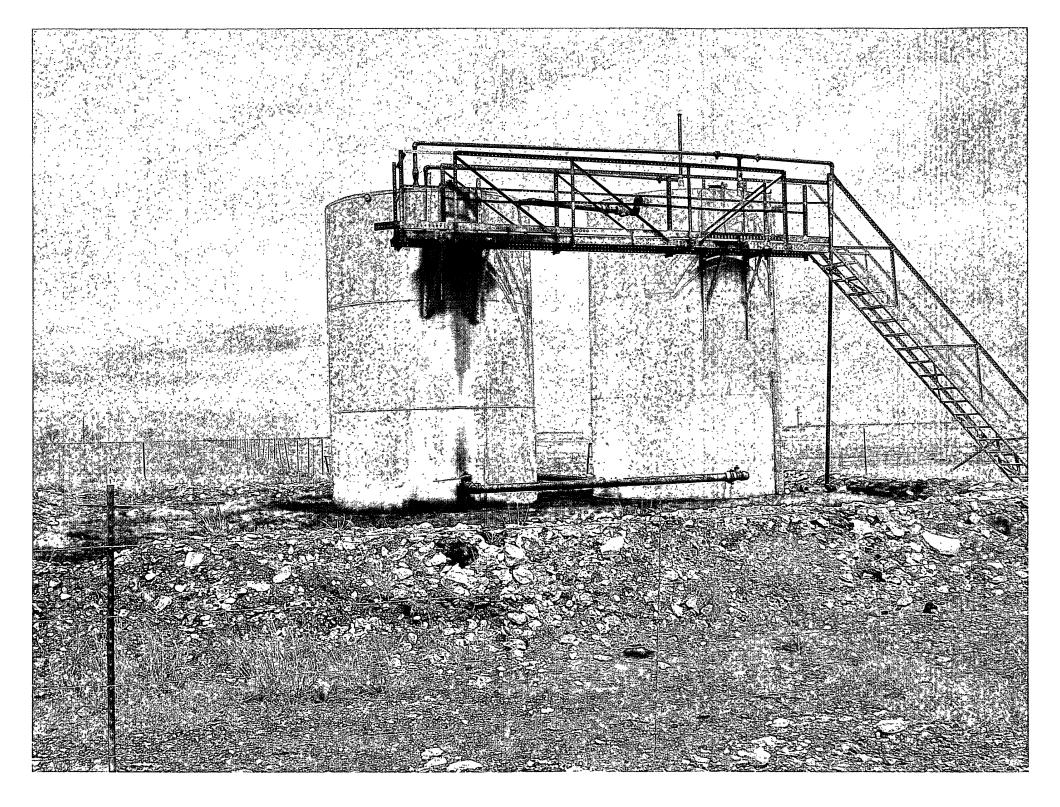
Hobbs OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

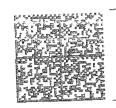
*Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas







EMNRD OIL CON SERVATION DIVISION 1625 N FIRENCH DRIVE HOBBS NM 88240



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