

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 Luviconment"

01-Jun-10

RANGER 40 PETROLEUM, LLC 1004 COLLIER CENTER WAY #206 NAPLES FL 34110

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.

		INSPECTIO	N DETAIL	L SECTION		
LANGLIE , Inspection Date	JAL UNIT No.027 Type Inspection	Inspector	Violation?	P-31-24S-37E *Significant Non-Compliance?	30-025-11297-00- Corrective Action Due By:	Inspection No.
05/24/2010	Bradenhead	Sylvia Dickey	Yes	No	8/27/2010	iSAD1014436952
Comments	on Inspection: PRESSURE T	TEST DUE (5 YEAR	TEST DUE)			
LANGLIE JAL UNIT No.017 Inspection Date Type Inspection		Inspector	Violation?	J-31-24S-37E *Significant Non-Compliance?	30-025-11301-00- Corrective Action Due By:	.00 Inspection No.
05/24/2010	Bradenhead	Sylvia Dickey	Yes	No	8/27/2010	iSAD1014437610
Comments	on Inspection: BHT FAILUR	E PRESSURE TEST	DUE (5 YEA	AR TEST DUE		
LANGLIE JAL UNIT No.001 Inspection Date Type Inspection		Inspector	Violation?	B-31-24S-37E *Significant Non-Compliance?	30-025-11304-00- Corrective	.00 Inspection No.
05/24/2010	Bradenhead	Sylvia Dickey	Yes	No	Action Due By: 8/27/2010	iSAD1014431669
-		,		SHOW CURRENT (13/10/1443/1009

LANGLIE JAL UNIT No.025 N-32-24S-37E 30-025-11307-00-00 Inspection *Significant Corrective Date Type Inspection Inspector Violation? Inspection No. Non-Compliance? Action Due By: 05/24/2010 Bradenhead Sylvia Dickey Yes No 8/27/2010 iSAD1014440386 Comments on Inspection: PRESSURE TEST DUE (5 YEAR TEST DUE) LANGLIE JAL UNIT No.009 F-32-24S-37E 30-025-11310-00-00 Inspection *Significant Corrective Type Inspection Date Inspector Violation? Non-Compliance? Inspection No. Action Due By: Sylvia Dickey 05/24/2010 Bradenhead Yes No 8/27/2010 iSAD1014432912 Comments on Inspection: NEED TO PRESSURE TEST (5 YEAR TEST DUE) LANGLIE JAL UNIT No.003 D-32-24S-37E 30-025-11311-00-00 Inspection *Significant Corrective Type Inspection Inspector Date Violation? Inspection No. Non-Compliance? Action Due By: 05/24/2010 Bradenhead Sylvia Dickey Yes No 8/27/2010 iSAD1014432639 Comments on Inspection: No Well Sign (Rule 103) LANGLIE JAL UNIT No.020 K-32-24S-37E 30-025-11313-00-00 Inspection *Significant Corrective Type Inspection Date Inspector Violation? Non-Compliance? Action Due By: Inspection No. 05/24/2010 Bradenhead Sylvia Dickey Yes No 8/27/2010 iSAD1014435737 Comments on Inspection: PRESSURE TEST DUE (5 YEAR TEST DUE) LANGLIE JAL UNIT No.021 J-32-24S-37E 30-025-11315-00-00 Inspection *Significant Corrective Type Inspection Date Inspector Violation? Inspection No. Non-Compliance? Action Due By: 05/24/2010 Bradenhead Sylvia Dickey Yes No 8/27/2010 iSAD1014435416 BHT FAILURE VACUUM ON TUBING AND CASING ****PRESSURE TEST DUE LAST PT Comments on Inspection: DONE IN 2006**** LANGLIE JAL UNIT No.005 B-32-24S-37E 30-025-11320-00-00 Inspection *Significant Corrective Type Inspection Inspector Date Violation? Inspection No. Non-Compliance? Action Due By: 05/24/2010 Bradenhead Sylvia Dickey Yes No 8/27/2010 iSAD1014433724 Comments on Inspection: NEED TO PRESSURE TEST (5 YEAR TEST DUE) LANGLIE JAL UNIT No.026 30-025-11322-00-00 M-32-24S-37E Inspection *Significant Corrective Type Inspection Date Inspector Violation? Non-Compliance? Inspection No. Action Due By: 05/24/2010 Bradenhead Sylvia Dickey Yes No 8/27/2010 iSAD1014440087 Comments on Inspection: PRESSURE TEST DUE (5 YEAR TEST DUE) LANGLIE JAL UNIT No.019 L-32-24S-37E 30-025-11323-00-00 Inspection *Significant Corrective Type Inspection Inspector Date Violation? Inspection No. Non-Compliance? Action Due By: 05/24/2010 Bradenhead Sylvia Dickey Yes No 8/27/2010 iSAD1014436148 Comments on Inspection: PRESSURE TEST DUE (5 YEAR TEST DUE) LANGLIE JAL UNIT No.061 L-4-25S-37E 30-025-11435-00-00 Inspection *Significant Corrective Type Inspection Date Inspector Violation? Inspection No. Non-Compliance? Action Due By: 05/24/2010 Bradenhead Sylvia Dickey Yes No 8/27/2010 iSAD1014444690 Comments on Inspection: PRESSURE TEST DUE (5 YR TEST DUE)

•	LANGLIE JAL UNIT No.041					30-025-11437-00-00	
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
05/24/2010	Bradenhead		Sylvia Dickey	Yes	No	8/27/2010	iSAD1014443659
Comments	on Inspection:	PRESSURE TE	EST DUE (5 YR TE	ST DUE)			
LANGLIE	JAL UNIT No.	.039			D-4-25S-37E	30-025-11442-00-	00
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant	Corrective	T NI
05/24/2010	Bradenhead		Sylvia Dickey	Yes	Non-Compliance? No	Action Due By: 8/27/2010	Inspection No.
•	on Inspection:	PRESSURE TE	EST DUE (5 YR TE		110	0/2//2010	iSAD1014442701
LANGLIE	JAL UNIT No.	044			E-4-25S-37E	30-025-11443-00-	00
Inspection					*Significant	Corrective	UU
Date	Type Inspection	1	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
05/24/2010	Bradenhead		Sylvia Dickey	Yes	No	8/27/2010	iSAD1014444355
Comments	on Inspection:	PRESSURE TE	ST DUE (5 YR TE	ST DUE)			
	JAL UNIT No.	.064			O-5-25S-37E	30-025-11450-00-	00
Inspection Date	Type Inspection	1	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
05/24/2010	Bradenhead		Sylvia Dickey	Yes	No.	8/27/2010	iSAD1014454309
Comments	on Inspection:	PRESSURE TE	ST DUE (5 YR TE	ST DUE)			101110
LANCITE	TAT TINITE NI.	026			0.5.050.050		
Inspection	JAL UNIT No.	036			C-5-25S-37E *Significant	30-025-11452-00-	00
Date	Type Inspection	1	Inspector	Violation?	Non-Compliance?	Corrective Action Due By:	Inspection No.
05/24/2010	Bradenhead		Sylvia Dickey	Yes	No	8/27/2010	iSAD1014439643
Comments	on Inspection:	PRESSURE TE	ST DUE (5 YEAR	TEST DUE)		,	
LANGLIE,	JAL UNIT No.	046			G-5-25S-37E	30-025-11453-00-0	00
Inspection	7F T				*Significant	Corrective	00
Date	Type Inspection	1	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
05/24/2010	Bradenhead		Sylvia Dickey	Yes	No	8/27/2010	iSAD1014441819
Comments	on Inspection:	PRESSURE TE	ST DUE (5 YR TES	ST DUE)			
	JAL UNIT No.	059			J-5-25S-37E	30-025-11454-00-0	00
Inspection Date	Type Inspection	1	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
05/24/2010	Bradenhead		Sylvia Dickey	Yes	No	8/27/2010	iSAD1014459018
Comments	on Inspection:	PRESSURE TE	ST DUE (5 YR TES	ST DUE)			
LANGLIE .	JAL UNIT No.	035			D-5-25S-37E	30-025-11455-00-0	00
Inspection					*Significant	Corrective	00
Date	Type Inspection	l	Inspector,	Violation?	Non-Compliance?	Action Due By:	Inspection No.
05/24/2010	Bradenhead	PDEGGLIDE CE	Sylvia Dickey	Yes	No	8/27/2010	iSAD1014439186
Comments	on Inspection:	PRESSURE TE	ST DUE (5 YEAR	TEST DUE)			
LANGLIE	JAL UNIT No.	037	B. C.		B-5-25S-37E	20 025 11450 00 0	00
Inspection					*Significant	30-025-11456-00-(Corrective	JU
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
05/24/2010	Bradenhead		Sylvia Dickey	Yes	No	8/27/2010	iSAD1014441590
Comments	on Inspection:	PRESSURE TE	ST DUE (5 YR TES	ST DUE)			

LANGLIE JAL UNIT No.045 H-5-25S-37E 30-025-11461-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Date Non-Compliance? Inspection No. Action Due By: 05/24/2010 Bradenhead Sylvia Dickey Yes No 8/27/2010 iSAD1014442223 Comments on Inspection: PRESSURE TEST DUE (5 YR TEST DUE) LANGLIE JAL UNIT No.031 D-6-25S-37E 30-025-11475-00-00 Inspection *Significant Corrective Type Inspection Date Inspector Violation? Inspection No. Non-Compliance? Action Due By: 05/24/2010 Bradenhead Sylvia Dickey Yes No 8/27/2010 iSAD1014458105 Comments on Inspection: PRESSURE TEST DUE (5 YR TEST DUE) LANGLIE JAL UNIT No.055 J-6-25S-37E 30-025-11476-00-00 Inspection *Significant Corrective Type Inspection Date Inspector Violation? Non-Compliance? Action Due By: Inspection No. 05/24/2010 Sylvia Dickey Bradenhead Yes No iSAD1014456598 8/27/2010 Comments on Inspection: PRESSURE TEST DUE (5 YR TEST DUE) LANGLIE JAL UNIT No.033 B-6-25S-37E 30-025-11480-00-00 Inspection *Significant Corrective Type Inspection Date Inspector Violation? Inspection No. Non-Compliance? Action Due By: 05/24/2010 Bradenhead Sylvia Dickey Yes No 8/27/2010 iSAD1014437756 Comments on Inspection: PRESSURE TEST DUE (5 YEAR TEST DUE) LANGLIE JAL UNIT No.085 P-8-25S-37E 30-025-11493-00-00 Inspection *Significant Corrective Type Inspection Inspector Date Violation? Non-Compliance? Inspection No. Action Due By: Sylvia Dickey 05/24/2010 Bradenhead Yes No 8/27/2010 iSAD1014451233 SURFACE UNABLE TO CHECK NEED TO REPLACE VALVE. Comments on Inspection: LANGLIE JAL UNIT No.072 C-8-25S-37E 30-025-11506-00-00 Inspection *Significant Corrective Type Inspection Inspector Date Violation? Non-Compliance? Inspection No. Action Due By: 05/24/2010 Bradenhead Sylvia Dickey Yes No 8/27/2010 iSAD1014445510 Comments on Inspection: PRESSURE TEST DUE (5 YR TEST DUE) INJECTION LINE LEAK LANGLIE JAL UNIT No.075 D-9-25S-37E 30-025-11510-00-00 Inspection *Significant Corrective Type Inspection Date Inspector Violation? Inspection No. Non-Compliance? Action Due By: 05/24/2010 Bradenhead Sylvia Dickey Yes No 8/27/2010 iSAD1014453400 Comments on Inspection: No Well Sign (Rule 103). LANGLIE JAL UNIT No.013 F-31-24S-37E 30-025-23865-00-00 Inspection *Significant Corrective Type Inspection Inspector Date Violation? Inspection No. Non-Compliance? Action Due By: 05/24/2010 Bradenhead Sylvia Dickey Yes No 8/27/2010 iSAD1014458530 Comments on Inspection: PRESSURE TEST DUE (5 YR TEST DUE) LANGLIE JAL UNIT No.023 P-32-24S-37E 30-025-23866-00-00 Inspection *Significant Corrective Type Inspection Date Inspector Violation? Inspection No. Non-Compliance? Action Due By: 05/24/2010 Bradenhead Sylvia Dickey Yes No 8/27/2010 iSAD1014440997 Comments on Inspection: PRESSURE TEST DUE (5 YR TEST DUE)

LANGLIE JAL UNIT No.029				N-31-24S-37E	30-025-23867-00-00		
Inspection Date	Type Inspection	1	Inspector	Violation?	*Significant Non-Compliance?	Corrective	Inspection No.
05/24/2010	Bradenhead		Sylvia Dickey	Yes	Non-Compliance:	Action Due By: 8/27/2010	iSAD1014457574
Comments	on Inspection:	PRESSURE TI	EST DUE (5 YR TE		140	8/2//2010	ISAD1014437374
	JAL UNIT No.	071			D-8-25S-37E	30-025-23869-00-	.00
Inspection Date	Type Inspection	ı	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
05/24/2010	Bradenhead		Sylvia Dickey	Yes	No.	8/27/2010	iSAD1014455950
Comments	on Inspection:	PRESSURE TE	EST DUE (5 YR TE	ST DUE)		6,2,7,2010	1011014433730
LANCITE	TAT TINIYODNI	0.42					
Inspection	JAL UNIT No.	043			F-4-25S-37E	30-025-23882-00-	00
Date	Type Inspection	1	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
05/24/2010	Bradenhead		Sylvia Dickey	Yes	No	8/27/2010	iSAD1014443201
Comments	on Inspection:	PRESSURE TE	EST DUE (5 YR TE	ST DUE)			
LANGLIE :	JAL UNIT No.	047			F-5-25S-37E	30-025-23883-00-00	
Inspection					*Significant	Corrective	vv
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
05/24/2010	Bradenhead		Sylvia Dickey	Yes	No	8/27/2010	iSAD1014441316
Comments	on Inspection:	PRESSURE TE	ST DUE (5 YR TE	ST DUE)			
LANGLIE J	JAL UNIT No.	057			L-5-25S-37E	30-025-23884-00-	00
Inspection					*Significant	Corrective	00
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
05/24/2010	Bradenhead		Sylvia Dickey	Yes	No	8/27/2010	iSAD1014438823
Comments o	on Inspection:	PRESSURE TE	ST DUE (5 YEAR	TEST DUE)			
LANGLIE J	IAL UNIT No.	022			I-32-24S-37F	30-025-24478-00-0	00
Inspection					*Significant	Corrective	00
	•		•		Non-Compliance?	Action Due By:	Inspection No.
			•		No	8/27/2010	iSAD1014434982
Comments o	on Inspection:	PRESSURE TE	ST DUE (5 YEAR	TEST DUE)			
LANGLIE J	JAL UNIT No.	024			O-32-24S-37E	30-025-24479-00-00	
Inspection	Type Inspection		Ingnoston	V:-1-4:2	*Significant	Corrective	
			•		•	•	Inspection No.
		DDESCHDE TE			No	8/2//2010	iSAD1014440546
- Comments to	m mspection.	TRESSURE TE	ST DUE (3 TR TE	SI DUE)			
	IAL UNIT No.	038			A-5-25S-37E	30-025-24484-00-00	
•	Type Inspection		Inspector	Violation?	*Significant	Corrective	Imamantina Na
05/24/2010			-		•	•	•
Comments o		PRESSURE TE	ST DUE (5 YR TES		110	5/21/2010 15/AD10144425	
	IAL UNIT No.()08			G-32-24S-37E	30-025-24839-00-0	00
Inspection Date	Type Inspection		Inspector	Violation?	*Significant	Corrective	Inspection No.
05/24/2010	Bradenhead		•		-		iSAD1014433978
Comments o	on Inspection:	PRESSURE TE	•		110	0/2//2010	1011010144337/0
LANGLIE J Inspection Date 05/24/2010 Comments of LANGLIE J Inspection Date 05/24/2010 Comments of LANGLIE J Inspection Date 05/24/2010 Comments of LANGLIE J Inspection Date 05/24/2010 Comments of	JAL UNIT No. Type Inspection Bradenhead on Inspection: JAL UNIT No. Type Inspection Bradenhead on Inspection: JAL UNIT No. Type Inspection Bradenhead on Inspection: JAL UNIT No. Type Inspection Bradenhead on Inspection:	PRESSURE TE 024 PRESSURE TE 038 PRESSURE TE	Inspector Sylvia Dickey ST DUE (5 YEAR Inspector Sylvia Dickey ST DUE (5 YR TES Inspector Sylvia Dickey ST DUE (5 YR TES	Violation? Yes TEST DUE) Violation? Yes ST DUE) Violation? Yes ST DUE) Violation? Yes	Non-Compliance? No O-32-24S-37E *Significant Non-Compliance? No A-5-25S-37E *Significant Non-Compliance? No G-32-24S-37E	Action Due By: 8/27/2010 30-025-24479-00-0 Corrective Action Due By: 8/27/2010 30-025-24484-00-0 Corrective Action Due By: 8/27/2010 30-025-24839-00-0 Corrective Action Due By: 8/27/2010	Inspection iSAD10144 OO Inspection iSAD10144 OO Inspection iSAD10144

LANGLIE JAL UNIT No.034

A-6-25S-37E

30-025-24889-00-00

Inspection

Date Type Inspection

Inspector

Violation? N

*Significant Non-Compliance? Corrective Action Due By:

Inspection No.

05/24/2010 Bradenhead Comments on Inspection:

Sylvia Dickey Yes
PRESSURE TEST DUE (5 YEAR TEST DUE)

No

8/27/2010

iSAD1014438029

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.

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



RANGER 40 PETROLEUM, LLC. 1004 COLLIER CENTER WAY #206 NAPLES, FL 34110