



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"

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.

INSPECTION DETAIL SECTION

| LANGLIE JAL UNIT No.027 | | | | | P-31-24S-37E | 30-025-11297-00-00 | |
|--------------------------------|-----------------|--|------------|------------------------------|---------------------------|---------------------------|--|
| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. | |
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014436952 | |
| Comments on Inspection: | | PRESSURE TEST DUE (5 YEAR TEST DUE) | | | | | |
| LANGLIE JAL UNIT No.017 | | | | | J-31-24S-37E | 30-025-11301-00-00 | |
| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. | |
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014437610 | |
| Comments on Inspection: | | BHT FAILURE PRESSURE TEST DUE (5 YEAR TEST DUE) | | | | | |
| LANGLIE JAL UNIT No.001 | | | | | B-31-24S-37E | 30-025-11304-00-00 | |
| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. | |
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014431669 | |
| Comments on Inspection: | | WELL SIGN NEEDS TO BE CORRECTED TO SHOW CURRENT OPERATOR | | | | | |

LANGLIE JAL UNIT No.025

N-32-24S-37E

30-025-11307-00-00

| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|--|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 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 Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 05/24/2010 | Bradenhead | Sylvia Dickey | 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 Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|--|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 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 Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective 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 Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|--|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014435416 |
| Comments on Inspection: BHT FAILURE VACUUM ON TUBING AND CASING *****PRESSURE TEST DUE LAST PT DONE IN 2006***** | | | | | | |

LANGLIE JAL UNIT No.005

B-32-24S-37E

30-025-11320-00-00

| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 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

M-32-24S-37E

30-025-11322-00-00

| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 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 Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 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 Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 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

B-4-25S-37E

30-025-11437-00-00

| Inspection Date | Type Inspection | 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 TEST DUE (5 YR TEST DUE) | | | | | | |

LANGLIE JAL UNIT No.039

D-4-25S-37E

30-025-11442-00-00

| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014442701 |
| Comments on Inspection: PRESSURE TEST DUE (5 YR TEST DUE) | | | | | | |

LANGLIE JAL UNIT No.044

E-4-25S-37E

30-025-11443-00-00

| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014444355 |
| Comments on Inspection: PRESSURE TEST DUE (5 YR TEST DUE) | | | | | | |

LANGLIE JAL UNIT No.064

O-5-25S-37E

30-025-11450-00-00

| Inspection Date | Type Inspection | 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 TEST DUE (5 YR TEST DUE) | | | | | | |

LANGLIE JAL UNIT No.036

C-5-25S-37E

30-025-11452-00-00

| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014439643 |
| Comments on Inspection: PRESSURE TEST DUE (5 YEAR TEST DUE) | | | | | | |

LANGLIE JAL UNIT No.046

G-5-25S-37E

30-025-11453-00-00

| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014441819 |
| Comments on Inspection: PRESSURE TEST DUE (5 YR TEST DUE) | | | | | | |

LANGLIE JAL UNIT No.059

J-5-25S-37E

30-025-11454-00-00

| Inspection Date | Type Inspection | 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 TEST DUE (5 YR TEST DUE) | | | | | | |

LANGLIE JAL UNIT No.035

D-5-25S-37E

30-025-11455-00-00

| Inspection Date | Type Inspection | Inspector, | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014439186 |
| Comments on Inspection: PRESSURE TEST DUE (5 YEAR TEST DUE) | | | | | | |

LANGLIE JAL UNIT No.037

B-5-25S-37E

30-025-11456-00-00

| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014441590 |
| Comments on Inspection: PRESSURE TEST DUE (5 YR TEST DUE) | | | | | | |

LANGLIE JAL UNIT No.045

H-5-25S-37E

30-025-11461-00-00

| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 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 Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 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 Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014456598 |
| 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 Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 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 Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|--|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014451233 |
| Comments on Inspection: SURFACE UNABLE TO CHECK NEED TO REPLACE VALVE. | | | | | | |

LANGLIE JAL UNIT No.072

C-8-25S-37E

30-025-11506-00-00

| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 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 Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|--|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 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 Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 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 Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 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 | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. | |
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014457574 | |
| Comments on Inspection: | | PRESSURE TEST DUE (5 YR TEST DUE) | | | | | |
| LANGLIE JAL UNIT No.071 | | | | | D-8-25S-37E | 30-025-23869-00-00 | |
| Inspection Date | Type Inspection | 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 TEST DUE (5 YR TEST DUE) | | | | | |
| LANGLIE JAL UNIT No.043 | | | | | F-4-25S-37E | 30-025-23882-00-00 | |
| Inspection Date | Type Inspection | 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 TEST DUE (5 YR TEST DUE) | | | | | |
| LANGLIE JAL UNIT No.047 | | | | | F-5-25S-37E | 30-025-23883-00-00 | |
| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. | |
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014441316 | |
| Comments on Inspection: | | PRESSURE TEST DUE (5 YR TEST DUE) | | | | | |
| LANGLIE JAL UNIT No.057 | | | | | L-5-25S-37E | 30-025-23884-00-00 | |
| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. | |
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014438823 | |
| Comments on Inspection: | | PRESSURE TEST DUE (5 YEAR TEST DUE) | | | | | |
| LANGLIE JAL UNIT No.022 | | | | | I-32-24S-37E | 30-025-24478-00-00 | |
| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. | |
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014434982 | |
| Comments on Inspection: | | PRESSURE TEST DUE (5 YEAR TEST DUE) | | | | | |
| LANGLIE JAL UNIT No.024 | | | | | O-32-24S-37E | 30-025-24479-00-00 | |
| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. | |
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014440546 | |
| Comments on Inspection: | | PRESSURE TEST DUE (5 YR TEST DUE) | | | | | |
| LANGLIE JAL UNIT No.038 | | | | | A-5-25S-37E | 30-025-24484-00-00 | |
| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. | |
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014442384 | |
| Comments on Inspection: | | PRESSURE TEST DUE (5 YR TEST DUE) | | | | | |
| LANGLIE JAL UNIT No.008 | | | | | G-32-24S-37E | 30-025-24839-00-00 | |
| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. | |
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014433978 | |
| Comments on Inspection: | | PRESSURE TEST DUE (5 YEAR TEST DUE) | | | | | |

LANGLIE JAL UNIT No.034

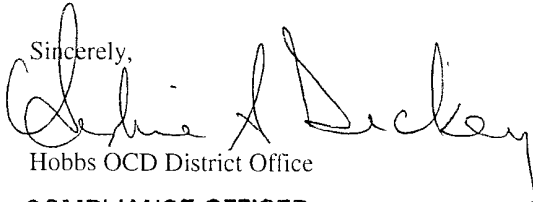
A-6-25S-37E

30-025-24889-00-00

| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|-------------------------|-----------------|-------------------------------------|------------|---------------------------------|------------------------------|----------------|
| 05/24/2010 | Bradenhead | Sylvia Dickey | Yes | No | 8/27/2010 | iSAD1014438029 |
| Comments on Inspection: | | PRESSURE TEST DUE (5 YEAR TEST DUE) | | | | |

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.

Sincerely,



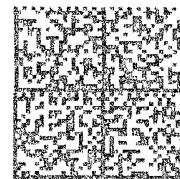
Hobbs OCD District Office

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



HASLER 017H15554612
\$0.850
06/01/2010
Mailed From 88240
US POSTAGE

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