

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
"Perserving 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.

INCRECTION DETAIL CECTION

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 J Inspection Date	JAL UNIT No.017 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 FAILU	JRE PRESSURE TEST	DUE (5 YEA	AR 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 of	on Inspection: WELL SIGN	NEEDS TO BE COR	DECTED TO	CHOW CHIDDENIT	DED ATOD		

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 Inspector Date Violation? Inspection No. Non-Compliance? Action Due By: 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 *Significant Corrective Type Inspection Inspector Date Violation? Inspection No. Non-Compliance? Action Due By: 05/24/2010 Sylvia Dickey Bradenhead 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 Inspector Date Violation? Inspection No. Non-Compliance? Action Due By: 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 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 *Significant Corrective Date Type Inspection Inspector Violation? Non-Compliance? 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 *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 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 Date Inspector 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 Inspector Violation? Date Non-Compliance? 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)

Inspection Date 05/24/2010	JAL UNIT No Type Inspection Bradenhead on Inspection:	n	Inspector Sylvia Dickey EST DUE (5 YR TE	Violation? Yes ST DUE)	B-4-25S-37E *Significant Non-Compliance? No		Inspection No. D1014443659
Inspection Date 05/24/2010	JAL UNIT No. Type Inspection Bradenhead on Inspection:	n	Inspector Sylvia Dickey ST DUE (5 YR TE	Violation? Yes ST DUE)	D-4-25S-37E *Significant Non-Compliance? No		Inspection No. D1014442701
Inspection Date 05/24/2010	JAL UNIT No. Type Inspection Bradenhead on Inspection:	1	Inspector Sylvia Dickey ST DUE (5 YR TE	Violation? Yes ST DUE)	E-4-25S-37E *Significant Non-Compliance? No		Inspection No. D1014444355
Inspection Date 05/24/2010	AL UNIT No. Type Inspection Bradenhead on Inspection:	ı	Inspector Sylvia Dickey ST DUE (5 YR TE.	Violation? Yes ST DUE)	O-5-25S-37E *Significant Non-Compliance? No		nspection N o. D1014454309
Inspection Date 05/24/2010	AL UNIT No. Type Inspection Bradenhead on Inspection:	1	Inspector Sylvia Dickey ST DUE (5 YEAR	Violation? Yes TEST DUE)	C-5-25S-37E *Significant Non-Compliance? No		nspection No. D1014439643
Inspection Date 05/24/2010	AL UNIT No. Type Inspection Bradenhead on Inspection:	1	Inspector Sylvia Dickey ST DUE (5 YR TE:	Violation? Yes ST DUE)	G-5-25S-37E *Significant Non-Compliance? No		nspection No. 01014441819
Inspection Date 05/24/2010	AL UNIT No. Type Inspection Bradenhead on Inspection:	ı	Inspector Sylvia Dickey ST DUE (5 YR TE:	Violation? Yes ST DUE)	J-5-25S-37E *Significant Non-Compliance? No	3 .	nspection No. 01014459018
Inspection Date 05/24/2010	AL UNIT No. Type Inspection Bradenhead n Inspection:		Inspector,. Sylvia Dickey ST DUE (5 YEAR '	Violation? Yes TEST DUE)	D-5-25S-37E *Significant Non-Compliance? No		nspection No. D1014439186
Inspection Date 05/24/2010	AL UNIT No. Type Inspection Bradenhead n Inspection:		Inspector Sylvia Dickey ST DUE (5 YR TES	Violation? Yes ST DUE)	B-5-25S-37E *Significant Non-Compliance? No		nspection No. 01014441590

LANGLIE JAL UNIT No.045 H-5-25S-37E 30-025-11461-00-00 Inspection *Significant Corrective Type Inspection Inspector Date Violation? Inspection No. Non-Compliance? Action Due By: 05/24/2010 Sylvia Dickey Bradenhead 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 Date Type Inspection Inspector Violation? Inspection No. Non-Compliance? Action Due By: 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 *Significant Corrective Type Inspection Inspector Violation? Date 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 Violation? Date Inspection No. Non-Compliance? Action Due By: 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 *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 PRESSURE TEST DUE (5 YR TEST DUE) INJECTION LINE LEAK Comments on Inspection: LANGLIE JAL UNIT No.075 D-9-25S-37E 30-025-11510-00-00 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 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 Inspector Violation? Date Non-Compliance? Inspection No. 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)

Inspection Date	AL UNIT No. Type Inspection Bradenhead Inspection:	1	Inspector Sylvia Dickey EST DUE (5 YR TE	Violation? Yes ST DUE)	N-31-24S-37E *Significant Non-Compliance? No	30-025-23867-00- Corrective Action Due By: 8/27/2010	Inspection No. iSAD1014457574
Inspection Date 05/24/2010 Comments on	Type Inspection Bradenhead	1	Inspector Sylvia Dickey ST DUE (5 YR TE	Violation? Yes ST DUE)	D-8-25S-37E *Significant Non-Compliance? No	30-025-23869-00- Corrective Action Due By: 8/27/2010	00 Inspection No. iSAD1014455950
LANGLIE Ja Inspection Date 05/24/2010 Comments on	Type Inspection Bradenhead	ı	Inspector Sylvia Dickey ST DUE (5 YR TE.	Violation? Yes ST DUE)	F-4-25S-37E *Significant Non-Compliance?	30-025-23882-00- Corrective Action Due By: 8/27/2010	00 Inspection No. iSAD1014443201
LANGLIE January Inspection Date 05/24/2010 Comments or	Type Inspection Bradenhead		Inspector Sylvia Dickey ST DUE (5 YR TE:	Violation? Yes ST DUE)	F-5-25S-37E *Significant Non-Compliance? No	30-025-23883-00- Corrective Action Due By: 8/27/2010	00 Inspection No. iSAD1014441316
LANGLIE JA Inspection Date 05/24/2010 Comments on	Type Inspection Bradenhead		Inspector Sylvia Dickey ST DUE (5 YEAR '	Violation? Yes TEST DUE)	L-5-25S-37E *Significant Non-Compliance? No	30-025-23884-00- Corrective Action Due By: 8/27/2010	Inspection No. iSAD1014438823
	Type Inspection Bradenhead		Inspector Sylvia Dickey ST DUE (5 YEAR 1	Violation? Yes TEST DUE)	I-32-24S-37E *Significant Non-Compliance? No	30-025-24478-00-0 Corrective Action Due By: 8/27/2010	Inspection No. iSAD1014434982
LANGLIE JA Inspection Date 05/24/2010 Comments on	Type Inspection Bradenhead		Inspector Sylvia Dickey ST DUE (5 YR TES	Violation? Yes ST DUE)	O-32-24S-37E *Significant Non-Compliance? No	30-025-24479-00-(Corrective Action Due By: 8/27/2010	Inspection No. iSAD1014440546
	Type Inspection Bradenhead		Inspector Sylvia Dickey ST DUE (5 YR TES	Violation? Yes ST DUE)	A-5-25S-37E *Significant Non-Compliance?	30-025-24484-00-(Corrective Action Due By: 8/27/2010	Inspection No. iSAD1014442384
	Type Inspection Bradenhead		Inspector Sylvia Dickey ST DUE (5 YEAR T	Violation? Yes TEST DUE)	G-32-24S-37E *Significant Non-Compliance? No	30-025-24839-00-0 Corrective Action Due By: 8/27/2010	Inspection No. iSAD1014433978

LANGLIE JAL UNIT No.034

A-6-25S-37E

30-025-24889-00-00

Inspection Date

Type Inspection

Inspector

Violation?

Yes

*Significant Non-Compliance? No Corrective Action Due By: 8/27/2010

Inspection No. iSAD1014438029

05/24/2010 Bradenhead Comments on Inspection:

PRESSURE TEST DUE (5 YEAR TEST DUE)

Sylvia Dickey

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