

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"

17-Jun-10

NADEL AND GUSSMAN PERMIAN, LLC 601 N MARIENFELD SUITE 508

MIDLAND TX 79701

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
ALIDE DOLLOIT		DECITOR

			INSPECTIO	N DETAII	L SECTION		
MOHAWK STATE No.001				P-20-8S-33E	30-005-29108-00-00		
Inspection Date	Type Inspection	on	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
06/09/2010	Routine/Peri	odic	Maxey Brown	Yes	No	9/12/2010	iMGB1016058522
	Violations						
	Absent Well Ide	entification Signs (Rule 103)				
	General Housek	eeping (Rule 114)					
REMOVE SI		VERAL LONG PIEC	ES OF JUNE	STALL WELL SIGN. COR SURPLUS SAN LETTER OF NON-CO	DLINE LEFT ON		

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



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