

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"

14-Jul-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

			INSPECTI	ON DETAIL	SECTION		
LANGLIE JAL UNIT No.074 Inspection					A-8-25S-37E *Significant	30-025-11496-00-00 Corrective	
Date	Date Type Inspection I		Inspector	Violation?	Non-Compliance?	Action Due By: Inspection No.	
07/13/2010	Compliance Violations Absent Well Ide Rule Violation	entification Signs (Buddy Hill Rule 103)	Yes	No	8/14/2010	iLWH1019538086
Comments on Inspection:		No well Sign (Rule 103). Second notice. Flowline leak at well ran 75 yards to the south, no cleanup. A new well sign is to placed at this and any other wells without signs and a clean-up of spill site is to be approved by OCD and begin ASAP. Non-compliance with this letter will be turned over to legals for compliance conference.					

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

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

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT Oil Conservation Division 1625 N. French Drive Hobbs, NM 88240



Ranger 40 Petroleum LLC 1004 Collier Center Way #206 Naples FL 34110