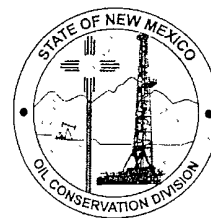


# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

Jim Noel  
Cabinet Secretary  
Karen W. Garcia  
Deputy Cabinet Secretary

Mark Fesmire  
Division Director  
Oil Conservation Division



**\*Response Required – Deadline Enclosed\***  
*Field Inspection Program*  
*"Preserving the Integrity of Our Environment"*

16-Aug-10

**ENDEAVOR ENERGY RESOURCES, LP**  
110 NORTH MARIENFELD SUITE 200  
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

**SWEARINGEN B No.004**

E-20-5S-33E

**30-041-20421-00-00**

| Inspection Date | Type Inspection             | Inspector   | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|-----------------|-----------------------------|-------------|------------|------------------------------|---------------------------|----------------|
| 08/13/2010      | Routine/Periodic Violations | Maxey Brown | Yes        | No                           | 11/16/2010                | iMGB1022555422 |

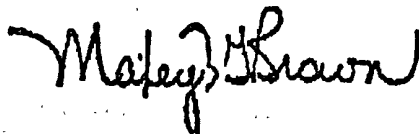
11 Absent Well Identification Signs (Rule 103)

Comments on Inspection: SIGN AT TANK BATTERY. RULE 19 15.16.8. NEED TO REPLACE SIGN AT TANK BATTERY UNIT LETTER AND LEGAL DESCRIPTION INCORRECT. THIS IS 1ST LETTER OF NON-COMPLIANCE (LUCKY WELL SERVICE MIRU ON THIS WELL).



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,

A handwritten signature in black ink, appearing to read "Mike Brown". The signature is fluid and cursive, with the first name "Mike" and last name "Brown" clearly distinguishable.

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

Amoco Production  
Company

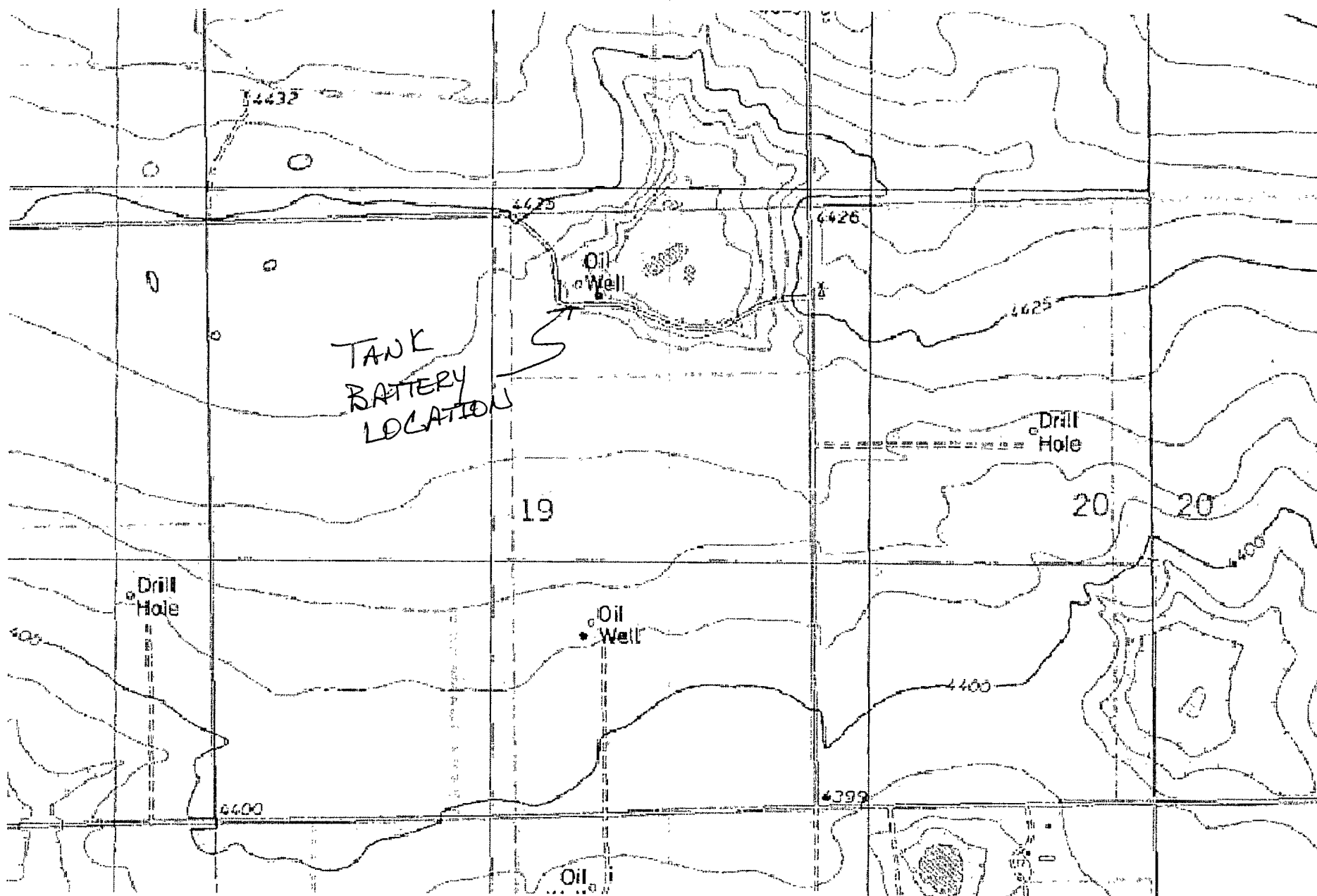
ENDEAVOR ENERGY RESOURCES, L.P.

PETERSON PENN STORAGE SYSTEM

UNIT M SEC. 29-T7S-R36E

ROOSEVELT COUNTY

# RBDMS Map



Oil Conservation Division

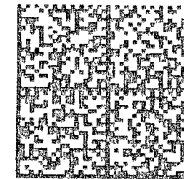
MapNotes

SECTION 19 - T 55 - R 33E

DrawnBy

8/16/2010 9:30:43 AM

EMNRD  
OIL CONSERVATION DIVISION  
1625 N FRENCH DRIVE  
HOBBS NM 88240



HASLER 017H15554612  
\$0.440  
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