

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary Mark E. Fesmire, P.E. Ducctor Oil Conservation Division

Response Required - Deadline Enclosed

Hield Devenstran Program Provesting the stag of of Overstagen an entit

05-Oct-10

MAR OIL & GAS CORP. P.O. BOX 5155 SANTA FE, NM 87502

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	V DETAIL	SECTION			
Inspection Date	HARDY UNIT	Inspector	Violation?	I-1-21S-36E *Significant Non-Compliance?	30-025-04435-00- Corrective Action Due By:	00 Inspection No.	
10/04/2010	Pressure Test	Sylvia Dickey	Yes	No	1/8/2011	iSAD1027852809	
~		NO Action Taken To bring Well into HAS BEEN DONE TO REPAIR WI 19/15.26/9 Casing and Cementing of 19/15.26/9 Casing and Cementing of	ELL. ** ** OF Injection W	PERATOR IN VIOLA ells AND 19-15-26.10	TION OF NMOCD Operation and Maint		
EUMONT HARDY UNIT No.031				A-1-21S-36E	30-025-04436-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	'Significant Non-Compliance?	Corrective Action Due By;	Inspection No.	
10/04/2010	Pressure Test	Sylvia Dickey	Yes	No	1/8/2011	iSAD1027852457	
Comments o		NO Action Taken To bring Well into HAS BEEN DONE TO REPAIR WE 19 15.26 9 Casing and Cementing of # # FAILED OVERALL MECHAN	ELL # **OP Injection We	ERATOR IN VIOLA ells AND 19.15.26-10	TION OF NMOCD Operation and Maint	RK	

Oil Conservation Division 1625 N French Drive Hobbs, New Mexico 88240 Phone 505-393-6161 Fax 505-393-0720 http://www.enunid.state.nm.us

EUMONT H Inspection Date 10/04/2010	IARDY UNIT Type Inspection Bradenhead	I	nspector Sylvia Dickey	Violation? Yes	B-36-20S-37E 'Significant Non-Compliance? No	30-025-06220-00-0 Corrective Action Due By: 1/8/2011	0 Inspection No. (SAD1027850190)
	in Inspection:	NO Action Taken [®] HAS BEEN DONI 19/15/26/9 Casing	To bring Well into TO REPAIR WE and Cementing of UNABLE TO PAS	Compliance ELL. CATOP Injection We SS EPA REQ	WELL WAS UNAB ERATOR IN VIOLA MIS AND 19 15 26 10	LE TO PT. NO WOR TION OF NMOCD Operation and Mainte FAILED OVERAL	nance
Inspection	HARDY UNIT		nspector	Violation?	L-36-20S-37E Significant Non-Compliance?	30-025-06227-00-0 Corrective Action Due By:	0 Inspection No.
Date 10/04/2010	Type Inspection Pressure Test		Sylvia Dickey	Yes	Non-Comphance.	e e	iSAD1027737371
	on Inspection:	No Action Taken	To bring Well into	Compliance	: NO PRESSURE TE N OF NMOCD RULI	ST E 19 15.26.11* - 0.7*	
EUMONT I Inspection Date 10/04/2010	HARDY UNIT Type Inspection Pressure Test	I	Inspector Svlvta Dickey	Violation? Yes	D-5-21S-37E *Significant Non-Compliance? No	30-025-06407-00-0 Corrective Action Due By: 1/7/2011	0 Inspection No. 1SAD1027852665
	on Inspection:	NO Action Taken HAS BEEN DON 19-15-26-9 Casing	To bring Well into E TO REPAIR WI and Cementing of	ELL *- OF Elnjection W	PERATOR IN VIOLA) Operation and Mainto	
EUMONT	HARDY UNIT	No.047			K-6-21S-37E	30-025-06412-00-0	0
Inspection Date	Type Inspection	l	Inspector	Violation?	'Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
	Pressure Test		Sylvia Dickey	Yes	No	1/7/2011	ISAD1027852909
Comments	on Inspection:	HAS BEEN DON 19 15 26 9 Casing	E TO REPAIR W	ELL ####OI f Injection W	PERATOR IN VIOLA /ells AND 19.15 26 10	3LE TO PT. NO WOR ATION OF NMOCD Operation and Maint	
EUMONT HARDY UNIT		No.035			G-6-21S-37E Significant	30-025-06422-00-0 Corrective	
Date	Type Inspectio		Inspector	Violation?	Non-Compliance?	Action Due By: 1/8/2011	Inspection No. ISAD1027852587
10/04/2010	Bradenhead		Sylvia Dickey	Yes	No		
Comments	on Inspection:	HAS BEEN DON 19 15.26 9 Casing	JE TO REPAIR W	ELL *****O I Injection W	PERATOR IN VIOL# Vells AND 19-15-26 +	BLE TO PT. NO WOF ATION OF NMOCD 0 Operation and Maint	

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

reh

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

> > Oil Conservation Division 1625 N French Drive Hobbs, New Mexico 88240 Phone 505-393-6161 ' Fax 505-393-0720 ' http://www.emnid.state.nm.us

