

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

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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

		INSPECTIO	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 **** FAILED OVERALL MECHA	ELL 2000 OF Injection W	PERATOR IN VIOLA ells AND 19-15,26-10	TION OF NMOCD Operation and Mam				
EUMONT HARDY UNIT No.031 Inspection				A-1-21S-36E	30-025-04436-00-00				
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 on Inspection:		NO Action Taken To bring Well into Compliance WELL WAS UNABLE TO PT. NO WORK HAS BEEN DONE TO REPAIR WELL of COPERATOR IN VIOLATION OF NMOCD 19 15 26.9 Casing and Cementing of Injection Wells AND 19 15.26 10 Operation and Maintenance of FAILED OVERALL MECHANICAL INTEGRITY 19.15 26 11 million							

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

EUMONT F Inspection Date	HARDY UNIT		Inspector	Violation?	B-36-20S-37E 'Significant Non-Compliance?	30-025-06220-00-0 Corrective Action Due By:	() Inspection No.
10/04/2010	Bradenhead		Sylvia Dickey	Yes	No		iSAD1027850190
Comments (on Inspection:	HAS BEEN DON 19 15 26 9 Casin 2010 YEAR	To bring Well into E TO REPAIR WI g and Cementing of	ELL ^{1, 144} OF Injection W SS EPA REQ	PERATOR IN VIOLA ells AND 19,15-26-10	BLE TO PT. NO WOR	enance
Inspection	HARDY UNIT		Inspector	Violation?	L-36-20S-37E Significant	30-025-06227-00-0 Corrective	0 Inspection No.
Date 10/04/2010	Pressure Test		Sylvia Dickev	Yes	Non-Compliance? No	Action Due By: 1/7/2011	(SAD1027737371
	on Inspection:		To bring Well into	Compliance	. NO PRESSURE TE N OF NMOCD RULI	ST	
EUMONT H Inspection Date	JARDY UNIT		Inspector	Violation?	D-5-21S-37E ⁴ Significant Non-Compliance?	30-025-06407-00-0 Corrective Action Due By:	0 Inspection No.
10/04/2010	Pressure Test		Sylvia Dickey	Yes	No	1/7/2011	ISAD1027852665
Comments (on Inspection:	HAS BEEN DOM 19/15/26/9 Casin	NE TO REPAIR WI	ELL 🖓 🛩 OF Injection W	PERATOR IN VIOLA	Operation and Mainte	
EUMONT I Inspection Date	HARDY UNIT		Inspector	Violation?	K-6-21S-37E *Significant Non-Compliance?	30-025-06412-00-0 Corrective Action Due By:	0 Inspection No.
10/04/2010	Pressure Test		Sylvia Dickey	Yes	No		ISAD1027852909
Comments (on Inspection:	HAS BEEN DOP 19/15/26.9 Casin	n To bring Well into √E TO REPAIR WI	ELL · · · · OF Injection W	PERATOR IN VIOLA ells AND 19-15-26-10	BLE TO PT. NO WOR TION OF NMOCD Operation and Mainte	
EUMONT I Inspection Date	HARDY UNIT		Inspector	Violation?	G-6-21S-37E "Significant Non-Compliance?	30-025-06422-00-0 Corrective Action Due By:)() Inspection No.
10/04/2010	Bradenhead		Svlvia Dickev	Yes	No		ISAD1027852587
Comments	on Inspection:	HAS BEEN DOM 19/15/26/9 Casin	To bring Well into NE TO REPAIR WI	ELL COMON Injection W	PERATOR IN VIOLA Tells AND 19-15-26-10	3LE TO PT. NO WOR TION OF NMOCD) Operation and Mainte	

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

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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.emnrd.state.nm.us

