

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Jim Noel Cabinet Secretary Karen W. Garcia Deputy Cabinet Secretary

Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

05-Oct-10

CAMERON OIL & GAS INC

PO BOX 1456

ROSWELL NM 88202-1456

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

GENESIS No.001

Inspection

Date

Inspector

Violation?

*Significant Co

30-025-31213-00-00 Corrective Action Due By:

Inspection No.

10/01/2010 Routine/Periodic

Maxey Brown

lation? Non-Compliance?
Yes No

P-22-16S-38E

1/4/2011

iMGB1027448734

Violations

Absent Well Identification Signs (Rule 103)

Surface Leaks/Spills

Type Inspection

General Housekeeping (Rule 114)

Comments on Inspection:

NO Well Sign (RULE 19.15.16.8). NEED WELL SIGN. ALSO STUFFING BOX HAS LEAKED. NEED TO REMOVE CONTAMINATED SOIL. CONTAINMENT UNDER LOAD LINES HAVE RAN OVER. NEED TO CLEAN OR CLEAR AREA OF WEEDS. RULE

19.15.10.8. THIS IS 1ST LETTER OF NON-COMPLIANCE, MGB.

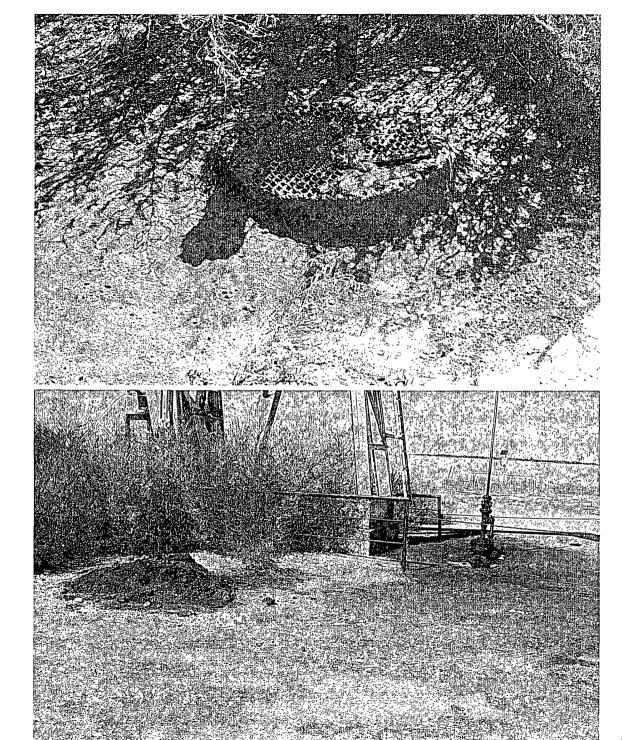
In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Divison Examiner 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.

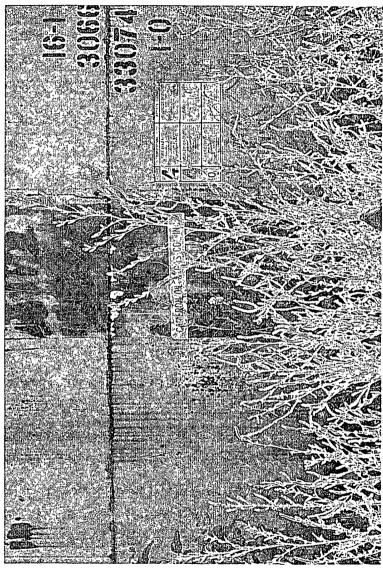
Sincerely,

COMPLIANCE OFFICER

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.





10/1/2010

EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



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