

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor Jim Noel Cabinet Secretary Karen W. Garcia Deputy Cabinet Secretary Mark E. Fesmire, P.E. Director Oil Conservation Division

First Inspection Prosects "trescening the Interrity of Our Environment"

20-Oct-10

RHOMBUS OPERATING CO LTD

P. O BOX 8316 MIDLAND TX 79708-8316

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	N DETAIL	L SECTION		
NORTHWEST EUMONT Inspection Date Type Inspectior					E-12-19S-36E *Significant Non-Compliance?	30-025-03997-00- Corrective Action Due By:	00 Inspection No.
10/19/2010	Routine/Periodic Violations Absent Well Identification Signs (Ri		Mark Whitaker	Yes	No	11/26/2010	iMAW1029248822
Comments	on Inspection:	Well sIgn not leg	gible (Rule 19.15-16	58). NEED 1	O REPLACE WELL	SIGN. 2ND NOTICE	
NORTHWF Inspection Date	EST EUMONT Type Inspection	UNIT No.115	Inspector	Violation?	N-14-19S-36E *Significant Non-Compliance?	30-025-04014-00- Corrective Action Due By:	00 Inspection No.
10/19/2010	Routine/Period	fic	Mark Whitaker	Yes	No	11/26/2010	iMAW1029245955
Comments					VE NEED TO CONTA CTION IST NOTICE	ACT OCD 575-393-6 E. Took pictures.	161
NORTHWE Inspection Date	EST EUMONT Type Inspection	UNIT No.112	Inspector	Violation?	L-14-19S-36E *Significant Non-Compliance?	30-025-04016-00- Corrective Action Due By:	00 Inspection No.
10/19/2010	Routine/Period Violations Idle well (Rule 20		Mark Whitaker	Yes	No		iMAW1029245155
Comments			575-393-6161 AN		Valves at wellhead c LE TIME TO VERIF	losed. NEED TO Y PRODUCTION. 1S	Т
			a second se		Hobbs, New Mexico tp://www.emmrd.state.ni		

NORTHWEST EUMONT UNIT No.11 Inspection					P-15-19S-36E *Significant	30-025-04018-00 Corrective	-00
Date	Type Inspectio		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
10/19/2010	Routine/Peric Violations Idle well (Rule 2		Mark Whitaker	Yes	No	11/23/2010	iMAW102924422
Comments	on Inspection:	Operator reporti in tbg. NEED T	ng production No r O CONTACT OCD . 1ST NOTICE, Toc	575-393-61	. Fuses on primary line 61 AND SCHEDULE	e north of well down. E TIME TO VERIFY	Rods
NORTHWE	ST EUMONI	UNIT No.134			N-22-19S-36E	30-025-04032-00	.00
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/19/2010	Routine/Peric Violations	odie	Mark Whitaker	Yes	No	11/26/2010	iMAW102925921
	General Houseke	eping (Rule 114)					
Comments of	on Inspection:		umping unit has no T FROM LOCATIC		ed from location. NEI	ED TO REMOVE	
	ST EUMONI	UNIT No.131			M-23-19S-36E	30-025-04036-00-	.00
Inspection Date	Type Inspection	ı	Inspector	Violation?	[‡] Significant Non-Compliance?	Corrective Action Due By;	Inspection No.
10/19/2010	Routine/Peric Violations Idle well (Rule 2)		Mark Whitaker	Yes	No	11/26/2010	iMAW102924195
Comments (on Inspection:	Operator reporti line disconnecte	d. Birds nest inside l	box. NEED '	. Conduit from control FO CONTACT OCD : N. 1ST NOTICE. Tool	575-393-6161 AND	wer
NORTHWE	ST EUMONI	UNIT No.156			H-33-198-36E	30-025-04099-00-	.00
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/19/2010	Routine/Perio Violations	die	Mark Whitaker	Yes	No	11/26/2010	iMAW102924015
Commente	Absent Well Ider on Inspection:	autication Signs (Ri					
			ule 19.15.16.8). NE.	ED TO INST	ALL WELL SIGN. 1		
INOK I H WE	STEUMONI	' UNIT No.166			L-34-19S-36E *Significant	30-025-04111-00- Corrective	.00
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
10/19/2010	Routine/Perio Violations		Mark Whitaker	Yes	No	11/26/2010	iMAW102923670
Comments o	General Houseke in Inspection:	Well plugged. P	umping unit has not T FROM LOCATIC	t been remov DN=1ST NO	ed from location NEE	ED TO REMOVE	
	ST EUMONT	UNIT No.161			O-34-19S-36E	30-025-04116-00-	00
NORTHWE			Inspector	Violation?	*Significant	Corrective	
Inspection	Type Inspection		inspector	violation;	Non-Compliance? No	Action Due By: 11/26/2010	Inspection No. iMAW102923846
Inspection Date	Type Inspection Routine/Perio Violations	dic	Mark Whitaker	Yes			
Inspection Date	Routine/Perio Violations	dic lification Signs (Ri		Yes			
Inspection Date 10/19/2010	Routine/Perio Violations	tification Signs (Ru	le 103)		ALL WELL SIGN. 1		
Inspection Date 10/19/2010 Comments o NORTHWE	Routine/Perio Violations Absent Well Iden n Inspection:	tification Signs (Ru	le 103)				
Inspection Date 10/19/2010 Comments o	Routine/Perio Violations Absent Well Iden n Inspection:	tification Signs (Ru No well Sign (R UNIT No.155	le 103)		ALL WELL SIGN. 15 F-34-19S-36E *Significant	st notice. 30-025-08701-00- Corrective	00
Inspection Date 10/19/2010 Comments o NORTHWE Inspection	Routine/Perio Violations Absent Well Iden n Inspection: ST EUMONT Type Inspection Routine/Perio Violations	tification Signs (Ru No well Sign (R UNIT No.155 dic	le 103) ale 19.15 16.8) NEI Inspector Mark Whitaker	ED TO INST	ALL WELL SIGN. 15 F-34-198-36E	st notice. 30-025-08701-00-	
Inspection Date 10/19/2010 Comments o NORTHWE Inspection Date 10/19/2010	Routine/Perio Violations Absent Well Iden n Inspection: ST EUMONT Type Inspection Routine/Perio Violations	tification Signs (Re No well Sign (R UNIT No.155 dic htlication Signs (Ru	le 103) ule 19.15 16.8) NEI Inspector Mark Whitaker le 103)	ED TO INST Violation? Yes	ALL WELL SIGN. 15 F-34-19S-36E *Significant Non-Compliance?	st notice. 30-025-08701-00- Corrective Action Due By: 11/26/2010	00 Inspection No.

Oil Conservation Division 1625 N French Drive Hobbs, New Mexico 88240

Phone 575-393-6161 ' Fax 575-393-0720 ' http://www.emnrd.state.nm.us

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 EMNRD OIL CONSERVATION DIVISION 1625 N FRENCH DRIVE HOBBS NM 88240



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