



# 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



19-Oct-10

**LEGACY RESERVES OPERATING, LP**  
P. O. BOX 10848  
MIDLAND TX 79702

## 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

#### LANGLIE MATTIX PENROSE SAND UNIT No.243

J-28-22S-37E

30-025-10497-00-00

| Inspection Date                                                                                                                                                                                                                            | Type Inspection | Inspector     | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 10/07/2010                                                                                                                                                                                                                                 | Bradenhead      | Sylvia Dickey | Yes        | No                           | 1/10/2011                 | iSAD1028033210 |
| <b>Comments on Inspection:</b> WELL HEAD CAP/FLANGE STILL LEAKING DID NOT FIX; *****OPERATOR IN VIOLATION OF NMOCDD RULE 19.15.26.10 OPERATION AND MAINTENANCE*****<br>NOTE****PER TOMMY HILL HAS BEEN REPAIRED NOTED FOR RECORD ONLY***** |                 |               |            |                              |                           |                |

#### COLE 25 STATE No.001

A-25-10S-37E

30-025-30090-00-00

| Inspection Date                                                                                                                                                                                                                                                     | Type Inspection | Inspector     | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 10/07/2010                                                                                                                                                                                                                                                          | Pressure Test   | Sylvia Dickey | Yes        | No                           | 1/10/2011                 | iSAD1028049874 |
| <b>Comments on Inspection:</b> H2S ON INT. STRING; PER SPEEDY NEED TO HAVE OPERATOR VERIFY STRING OF CASING W/BARRY W/LEGACY TO ADDRESS H2S PROBLEM. IF H2S ON SURFACE NEED TO SHUT WELL IN PER SPEEDY. PT PASSED; 520#/520# 30 MINS. SEND LETTER TO BARRY W/LEGACY |                 |               |            |                              |                           |                |

#### SOUTH JUSTIS UNIT No.220

M-24-25S-37E

30-025-31863-00-00

| Inspection Date                                                                                                                                                                                       | Type Inspection | Inspector     | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------|------------|------------------------------|---------------------------|----------------|
| 10/14/2010                                                                                                                                                                                            | Pressure Test   | Sylvia Dickey | Yes        | No                           | 1/17/2011                 | iSAD1028740576 |
| <b>Comments on Inspection:</b> ****WELLSIGN INCORRECT; SHOULD READ UNIT LETTER M, SECTION 24, TOWNSHIP 25S, RANGE 37E; ****OPERATOR IN VIOLATION OF NMOCDD RULE 19.15.16.8<br>*****SIGN ON WELLS***** |                 |               |            |                              |                           |                |

Oil Conservation Division \* 1625 N. French Dr.\*

\* Hobbs, New Mexico 88240

\* Phone: (575) 393-6161 \* Fax (575) 393-0720\* <http://www.emnrd.state.nm.us>



**SOUTH JUSTIS UNIT No.210**

I-23-25S-37E

**30-025-31961-00-00**

| Inspection<br>Date                                                                                                                                                                                                | Type Inspection | Inspector     | Violation? | *Significant<br>Non-Compliance? | Corrective<br>Action Due By: | Inspection No. |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------|------------|---------------------------------|------------------------------|----------------|
| 10/14/2010                                                                                                                                                                                                        | Pressure Test   | Sylvia Dickey | Yes        | No                              | 1/17/2011                    | iSAD1028748269 |
| <b>Comments on Inspection:</b> PT OKAY; *****WELL SIGN INCORRECT SHOULD STATE UNIT LETTER I SECTION 23,<br>TOWNSHIP 25S RANGE 37 EAST;****OPERATOR IN VIOLATION OF NNOCD RULE<br>19.15.16.8*****SIGN ON WELLS**** |                 |               |            |                                 |                              |                |

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,



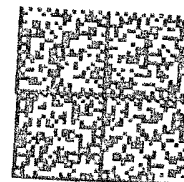
Hobbs OCD District Office

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.

EMNRD  
OIL CONSERVATION DIVISION  
1625 N FRENCH DRIVE  
HOBBS NM 88240



015H14150977  
HASLER  
\$0.44  
10/19/10  
Mailed From 88240  
US POSTAGE

LEGACY RESERVES OPERATING LP  
P.O. BOX 10848  
MIDLAND, TX 79702