

## NEW MEXICO ENERGY, MINERALS NATURAL RESOURCES DEPARTMENT

## **BILL RICHARDSON**

Governor

Jim Noet Cabinet Secretary Karen W. Garcia Deputy Cabinet Secretary Mark E. Fesmire, P.E.

Director Oil Conservation Division

Field Inspection Program "Preserving the Integrity of Our Environment"

02-Dec-10

CHAPARRAL ENERGY LLC 701 CEDAR LAKE BLVD. OKLAHOMA CITY OK 73114

**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

WEST DOLLARHIDE QUEEN SAND UNIT No.084				L-29-24S-38E	30-025-30007-00-	.00
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/01/2010	Routine/Periodic	Mark Whitaker	Yes	No	12/31/2010	iMAW1033545418
	Violations Idle well (Rule 201)					

Comments on Inspection:

T/A status expired. NEED TO RE-TEST FOR T/A STATUS, RETURN TO PRODUCTION, OR PLUG & ABABDON WELL. Ist notice.

WEST DOLLARHIDE QUEEN SAND UNIT No.093

F-32-24S-38E 30-025-30132-00-00

Inspection Date

Type Inspection

Inspector

\*Significant Violation?

Corrective

Inspection No.

12/01/2010

Routine/Periodic

Mark Whitaker

Yes

Non-Compliance? No

Action Due By: 12/31/2010 iMAW1033539152

Violations

Absent Well Identification Signs (Rule 103)

Idle well (Rule 201)

Comments on Inspection:

T/A status expired, NEED TO RE-TEST FOR T/A STATUS, RETURN TO PRODUCTION, OR PLUG & ABABDON WELL. Well sign not complete. No UL, Section, Township, Range or API

#. NEED TO REPLACE WELL SIGN.1st notice.

WEST DOLLARHIDE QUEEN SAND UNIT No.106 C-30-24S-38E 30-025-30157-00-00 Inspection \*Significant Corrective Date Type Inspection Inspector Violation? Inspection No. Non-Compliance? Action Due By: 12/01/2010 Mark Whitaker Routine/Periodic Yes No 12/31/2010 iMAW1033548076 **Violations** Idle well (Rule 201) Comments on Inspection: T/A status expired. NEED TO RE-TEST FOR T/A STATUS, RETURN TO PRODUCTION, OR PLUG & ABABDON WELL. 1st notice. WEST DOLLARHIDE QUEEN SAND UNIT No.121 K-32-24S-38E 30-025-30232-00-00 Inspection \*Significant Corrective Type Inspection Date Inspector Violation? Non-Compliance? Inspection No. Action Due By: 12/01/2010 Routine/Periodic Mark Whitaker Yes No 12/31/2010 iMAW1033539522 Violations ldle well (Rule 201) Comments on Inspection: T/A status expired. NEED TO RE-TEST FOR T/A STATUS, RETURN TO PRODUCTION, OR PLUG & ABABDON WELL. 1st notice. WEST DOLLARHIDE QUEEN SAND UNIT No.116 A-6-25S-38E 30-025-30240-00-00 Inspection \*Significant Corrective Type Inspection Date Inspector Violation? Inspection No. Non-Compliance? Action Due By: 12/01/2010 Routine/Periodic Mark Whitaker Yes No 12/31/2010 iMAW1033544669 Violations Idle well (Rule 201) Comments on Inspection: T/A status expired. NEED TO RE-TEST FOR T/A STATUS, RETURN TO PRODUCTION, OR PLUG & ABABDON WELL. 1st notice. WEST DOLLARHIDE QUEEN SAND UNIT No.120 F-5-25S-38E 30-025-30242-00-00 Inspection \*Significant Corrective Type Inspection Date Inspector Violation? Non-Compliance? Action Due By: Inspection No. 12/01/2010 Routine/Periodic Mark Whitaker Yes No 12/31/2010 iMAW1033539744 Violations Idle well (Rule 201) Comments on Inspection: T/A status expired. NEED TO RE-TEST FOR T/A STATUS, RETURN TO PRODUCTION, OR PLUG & ABABDON WELL. 1st notice. WEST DOLLARHIDE QUEEN SAND UNIT No.134 A-6-25S-38E 30-025-30272-00-00 Inspection \*Significant Corrective Date Type Inspection Inspector Violation? Non-Compliance? Inspection No. Action Due By: 12/01/2010 Routine/Periodic Mark Whitaker Yes No 12/31/2010 iMAW1033541899 Violations Absent Well Identification Signs (Rule 103) Idle well (Rule 201) Comments on Inspection: No well Sign (Rule 19.15.16.8). Expired T/A. NEED TO INSTALL WELL SIGN. NEED RE-TEST FOR T/A STATUS, RETURN TO PRODUCTION, OR PLUG & ABANDON WELL. IST NOTICE. WEST DOLLARHIDE QUEEN SAND UNIT No.149 P-32-24S-38E 30-025-30273-00-00 Inspection \*Significant Corrective Type Inspection Date Inspector Violation? Non-Compliance? Inspection No. Action Due By: 12/01/2010 Routine/Periodic Mark Whitaker Yes No 12/31/2010 iMAW1033540726 Violations Idle well (Rule 201) Comments on Inspection: T/A status expired. NEED TO RE-TEST FOR T/A STATUS, RETURN TO PRODUCTION, OR

PLUG & ABABDON WELL. 1st notice.

WEST DOLLARHIDE QUEEN SAND UNIT No.150

H-5-25S-38E

30-025-30274-00-00

Inspection Date

12/01/2010

Type Inspection

Inspector

Violation?

\*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

Mark Whitaker

Yes

No

12/31/2010 iMAW1033626526

Violations

Idle well (Rule 201)

Routine/Periodic

Comments on Inspection:

T/A status expired. NEED TO RE-TEST FOR T/A STATUS, RETURN TO PRODUCTION, OR

PLUG & ABABDON WELL. 1st notice.

WEST DOLLARHIDE QUEEN SAND UNIT No.133 Inspection

Type Inspection

D-31-24S-38E \*Significant Violation?

30-025-30355-00-00 Corrective

Date 12/01/2010

Routine/Periodic

Mark Whitaker

Non-Compliance? Yes No

Action Due By: 12/31/2010

Inspection No. iMAW1033537567

Violations

Unauthorized Injection

Comments on Inspection:

Well was T/A'd in January 2007. Production history indicates operator began injection into well in March 2009. MIT needs to be performed prior to putting well on injection. NEED TO SCHEDULE

MIT TEST WITH HOBBS DISTRICT OFFICE. 1ST NOTICE.

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.

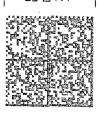
Sincerely,

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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12/02/10

CHAPARRAL ENERGY LLC 701 CEDAR LAKE BLVD OKLAHOMA CITY, OK 73114