



# 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



**\*Response Required – Deadline Enclosed\***

*Field Inspection*

*"Preserving the Integrity of Our Environment"*

21-Dec-10

CHESAPEAKE OPERATING INC.  
P.O. BOX 912  
HOBBS, NM 88240

**LETTER OF VIOLATION - Inspection**

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**

**OLLIE J BOYD No.002**

D-23-22S-37E

30-025-10434-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/21/2010	Bradenhead	Sylvia Dickey	Yes	No	3/26/2011	iSAD1035546932
<b>Comments on Inspection:</b> NO Well SIGN; WELL SIGN RULE 19.15.16.8. ****OPERATOR IN VIOLATION OF NMOCD RULE 19.15.16.8****						

**TRINITY BURRUS ABO UNIT No.021**

N-23-12S-38E

30-025-30106-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/17/2010	Bradenhead	Sylvia Dickey	Yes	No	3/22/2011	iSAD1035152597
<b>Comments on Inspection:</b> OPERATOR EXCEEDS INJECTION PRESSURE **TUBING GAGE SHOWS 2300 PSI; APPROVED PSI IS 1822 PSI****OPERATOR IS IN VIOLATION OF PERMIT/INJECTION ORDER; ***OPERATOR IN VIOLATION OF OPERATION OF INJECTOR;						

**TRINITY BURRUS ABO UNIT No.013**

H-22-12S-38E

30-025-36018-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/17/2010	Bradenhead	Sylvia Dickey	Yes	No	3/22/2011	iSAD1035149373
<b>Comments on Inspection:</b> VALVE ON SURFACE CASING IS FROZEN; OPERATOR NEEDS TO REPLACE SURFACE VALVE****OPERATOR IN VIOLATION OF NMOCD RULE 19.15.26.10*****OPERATION. & MAINTENANCE						

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>



**TRINITY BURRUS ABO UNIT No.016**

L-23-12S-38E

**30-025-36251-00-00**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/17/2010	Bradenhead	Sylvia Dickey	Yes	No	3/22/2011	iSAD1035151407
<b>Comments on Inspection:</b> SMALL AMOUNT OF SALT WATER ON SURFACE-ABOUT LESS THAN A GALLON; OPERATOR NEEDS TO MONITOR--***INTERMEDIATE NEEDLE VALVE HAS A LEAK WHEN OPENED NEED TO REPLACE; ***OPERATOR IN VIOLATION OF NMOC D RULE 19.15.26.10***OPERATION & MAINTENANCE***						

**TRINITY BURRUS ABO UNIT No.020**

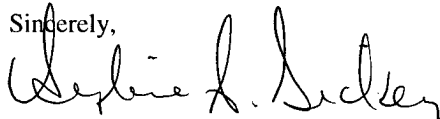
O-23-12S-38E

**30-025-36566-00-00**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/17/2010	Bradenhead	Sylvia Dickey	Yes	No	3/22/2011	iSAD1035151988
<b>Comments on Inspection:</b> FAILED BHT; 850 PSI ON CASING ***OPERATOR NEEDS TO BLEED TO A TRUCK AND PRESSURE TEST TO SHOW MECHANICAL INTEGRITY ***OPERATOR IN VIOLATION OF NMOC D RULE 19.15.26.11*****						

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

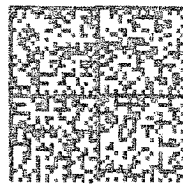
COMPLIANCE OFFICER

**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

CHESAPEAKE OPERATING INC.  
P.O. BOX 912  
HOBBS, NM 88240



HASLER  
015H14150977  
\$0.44  
12/21/10  
Mailed From 88240  
US POSTAGE