



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"

04-Jan-11

ENERVEST OPERATING L.L.C.

1001 FANNIN ST, STE 800
HOUSTON TX 77002

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.

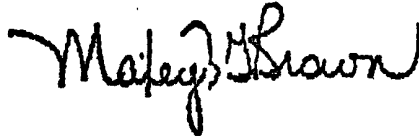
INSPECTION DETAIL SECTION

LOVELESS LQ STATE No.004				K-36-7S-31E	30-005-20827-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/29/2010	Plugged Well Surface Restor	Maxey Brown	Yes	No	4/3/2011	iMGB1036360720
Comments on Inspection:		DO NOT RELEASE. RULE 19.15.25.10. NEED TO REMOVE PUMPING UNIT AND WEIGHT GUARDS FROM WEST SIDE OF LOCATION , 2" POLY FLOWLINE TO BE REMOVED FROM NORTH SIDE OF LOCATION. REMOVE CONTROL PANEL AND CONDUIT FROM ELEC POLE SOUTH SIDE OF LOCATION. CONTACT ELECTRICAL PROVIDER (ROOSEVELT COUNTY ELEC COOP) AND HAVE ELECTRICAL POLES #30041, 30284, 99920 AND 30218 AND OVERHEAD POWER LINES REMOVED. THIS IS 1ST LETTER OF NON-COMPLIANCE. MGB.				

LOVELESS LQ STATE No.007				M-36-7S-31E	30-005-20832-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/29/2010	Plugged Well Surface Restor	Maxey Brown	Yes	No	4/3/2011	iMGB1036360678
Comments on Inspection:		DO NOT RELEASE. RULE 19.15.25.10. NEED TO REMOVE THE FOLLOWING FROM LOCATION. POLISH ROD AND STUFFING BOX. CONTROL PANEL AND CONDUIT, 1 TEE POST, 2' POLY FLOWLINE AND CONTACT ELECTRICAL PROVIDER (ROOSEVELT COUNTY ELEC COOP) AND HAVE POLE # 30207 AND OVERHEAD WIRE REMOVED. 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 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,



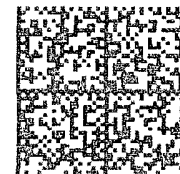
COMPLIANCE OFFICER

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



HASLER	015H14150977	US POSTAGE
	\$0.44	
	01/04/11	
	Mailed From 88240	

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HOUSTON TX 77002