Susana Martinez

Governor

Harrison H. Schmitt Cabinet Secretary - Designate

Brett F. Woods, Ph.D Deputy Cabinet Secretary Daniel Sanchez Acting Division Director Oil Conservation Division

Response Required - Deadline Enclosed

Field Inspection Program

"Preserving the Integrity of Our Environment"



08-Feb-11

TEXLAND PETROLEUM-HOBBS, LLC

777 MAINSTREET, SUITE 3200 FORT WORTH TX 76102

Dear Operator:

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

DOMESTIC	A TOTAL TOTAL A	NT. 0.110
BUWERS	A FEDERAL	- INO.U4 I U

O-30-18S-38E

30-025-35755-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance? Corrective

Inspection No.

02/08/2011 Routine/Periodic

Yes

No

Action Due By:

Buddy Hill

5/14/2011

iLWH1103945959

Violations

Tank Battery Equipment (Rules 114, 115)

Comments on Inspection:

Complaint from Ben Glover. Bad gas odor from this battery. Open 3" vent line on north side of

fence has at least 25 ppm H2S. Called Kurt Jackson, 432-894-1461.

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,

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



TEXLAND PETROLEUM-HOBBS, LLC 777 MAINSTREET SUITE 3200 FORT WORTH TX 76102