



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Daniel Sanchez

Acting Division Director

Oil Conservation Division

Response Required – Deadline Enclosed

Field Inspection Program

'Preserving the Integrity of Our Environment'

23-Mar-11

PRIMERO OPERATING INC

PO BOX 1433

ROSWELL NM 88202

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.

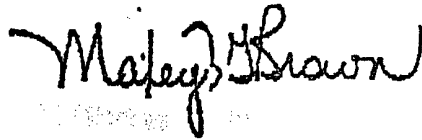
INSPECTION DETAIL SECTION

AMOCO STATE No.001				I-36-16S-32E	30-025-25278-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.	
03/23/2011	Plugged Well Surface Restor	Maxey Brown	Yes	No	6/26/2011	iMGB1108247971	
Comments on Inspection:		DO NOT RELEASE. 19.15.25.10. NEED TO CORRECT MARKER. MARKER IS INSTALLED ON THE AMOCO #2 WELL ACCORDING TO FOOTAGE IN LEGAL DESCRIPTION. ALSO NEED API# ON MARKER AND REMOVE SW AND NE ANCHORS. NEED TO FILL IN CELLAR AND MOUSE HOLE. THIS IS 1ST LETTER OF NON-COMPLIANCE.					

AMOCO STATE No.002				I-36-16S-32E	30-025-38279-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.	
03/23/2011	Plugged Well Surface Restor	Maxey Brown	Yes	No	6/26/2011	iMGB1108247437	
Comments on Inspection:		DO NOT RELEASE. RULE 19.15.25.10. MARKER IS INSTALLED ON THE AMOCO #1 WELL ACCORDING TO FOOTAGE IN LEGAL DESCRIPTION. ALSO NEED TO ADD API TO MARKER. THIS IS 1ST LETTER OF NON-COMPLIANCE.					

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,

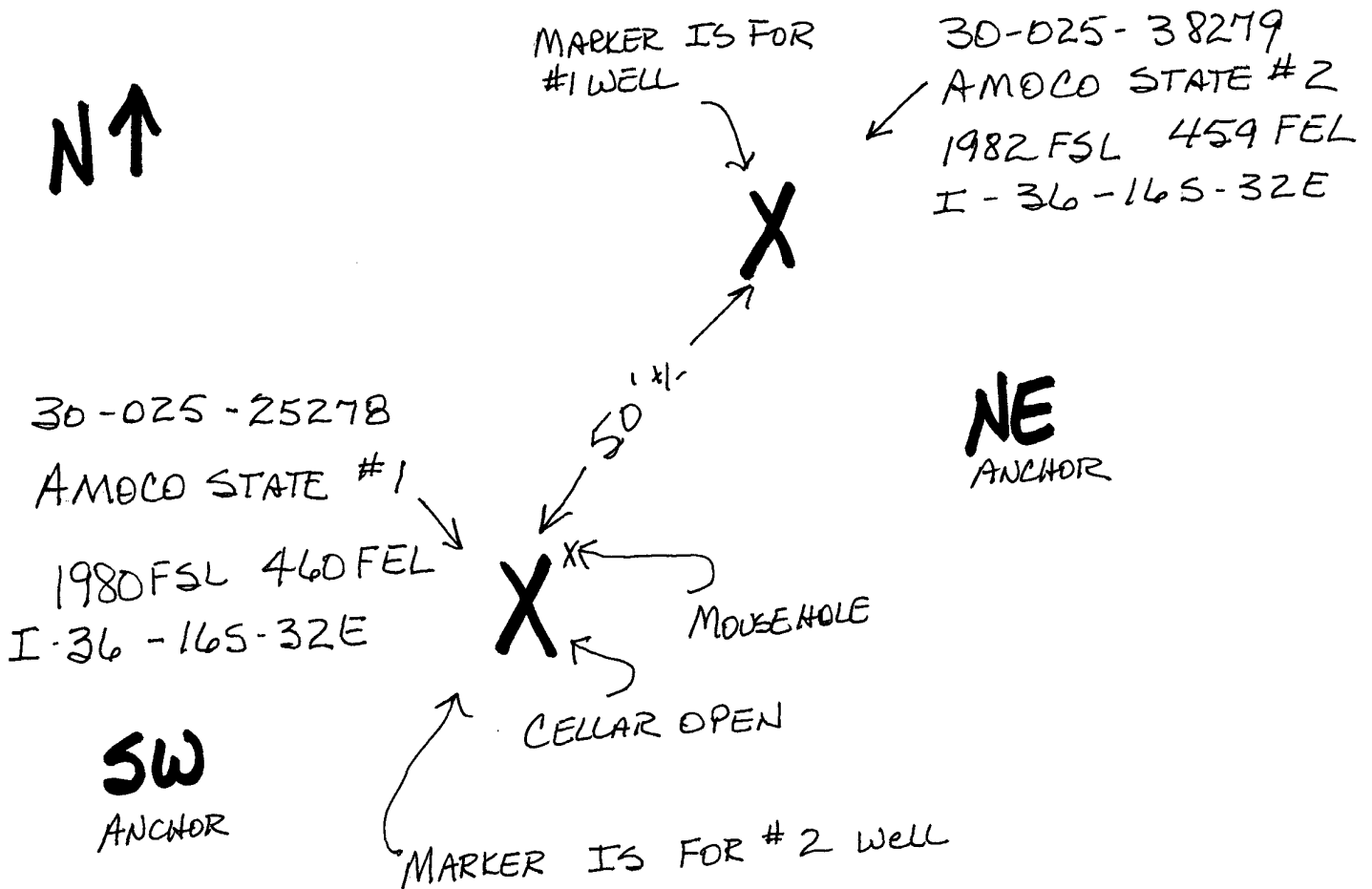


COMPLIANCE OFFICER

Hobbs OCD District Office

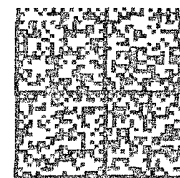
Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.
*Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.

PRIMERO OPERATING INC
PO BOX 1433
ROSWELL, NM 88202



Matey Brown
COMPLIANCE OFFICER

EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



HASLER 015H14150977
\$0.44
03/23/11
Mailed From 88240
US POSTAGE

PRIMERO OPERATING INC
PO BOX 1433
ROSWELL, NM 88202