



New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

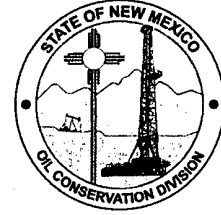
Governor

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Brett F. Woods, Ph. D.

Acting Cabinet Secretary



Jami Bailey

Division Director

Oil Conservation Division

08-Apr-11

WESPAC ENERGY, LLC

8620 N. NEW BRAUNFELS AVE SUITE 603
SAN ANTONIO, TX 78217-

LETTER OF VIOLATION Delinquent Regulatory Filings

Dear Operator:

Oil Conservation Division ("OCD") records indicate that you failed to file the required reports identified below, or that your filings were incomplete or inaccurate.

NON-COMPLIANT WELL DETAIL SECTION

NEW MEXICO CR STATE No.002

Original Well Type: Salt Water Disposal Well

Determination or Violation Date: 4/8/2011

Location: 32-9S-30E

Well Status: Active

30-005-20413-00-00

Delinquent Report or Filing(s): - Other Monitoring and Reporting Violation

Comments: OCD requires that the attached information be completed on a Form C103 Subsequent Report. The attached information pertains to work performed by Shane Ferguson in response to UIC Violation letter dated January 15, 2009. All detailed work on the attached must be typed on the Subsequent Report Form C103. (As Stated Exactly). Include additional sheets if necessary. Attach the Pressure Test Chart (copy), dated 1/19/2009 with your submittal. Please submit these to the address listed below.

CORRECTIVE ACTION ON THIS WELL DUE BY: 5/8/2011

Please file or correct the reports identified above by the corrective action due date indicated. If you fail to file or correct the reports by that date, the OCD will take enforcement action that may include but is not limited to, losing your authority to utilize this well as a SWD well, (Lost Authority to Inject), applying for an order assessing civil penalties and/or requiring you to plug and abandon the well.

Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infrastructure of the oil and gas industry.

Sincerely



Hobbs OCD District Office

COMPLIANCE OFFICER

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>



Westpac Energy LLC

Westpac CR STATE #2 SWD

1/14/09 LINED UP 4 MET ANCOR TRUCK OUT AT WELL SET 4 NEW ANCORS
LINED UP BOP HAD DELIVERED

1/15/09 UNIT #232 TW3 INC RIGGED UP BLEW WELL DOWN
RELEASED PACKER CAME OUT OF HOLE 105 JTS 2³/₈ PIPE
FOUND 2 HOLES IN COLLERS LAID DOWN, SENT PACKER 4¹/₂ AD-1 BAKER
TO PARKER TOOL IN LOVINGTON N.M. PIPE TOTAL 3330' + PACKER 2'9"
CAN NOT TEST PIPE WITH TEST TRK BECAUSE OF ORINGS IN COLLERS
SHUT DOWN FOR THE NIGHT

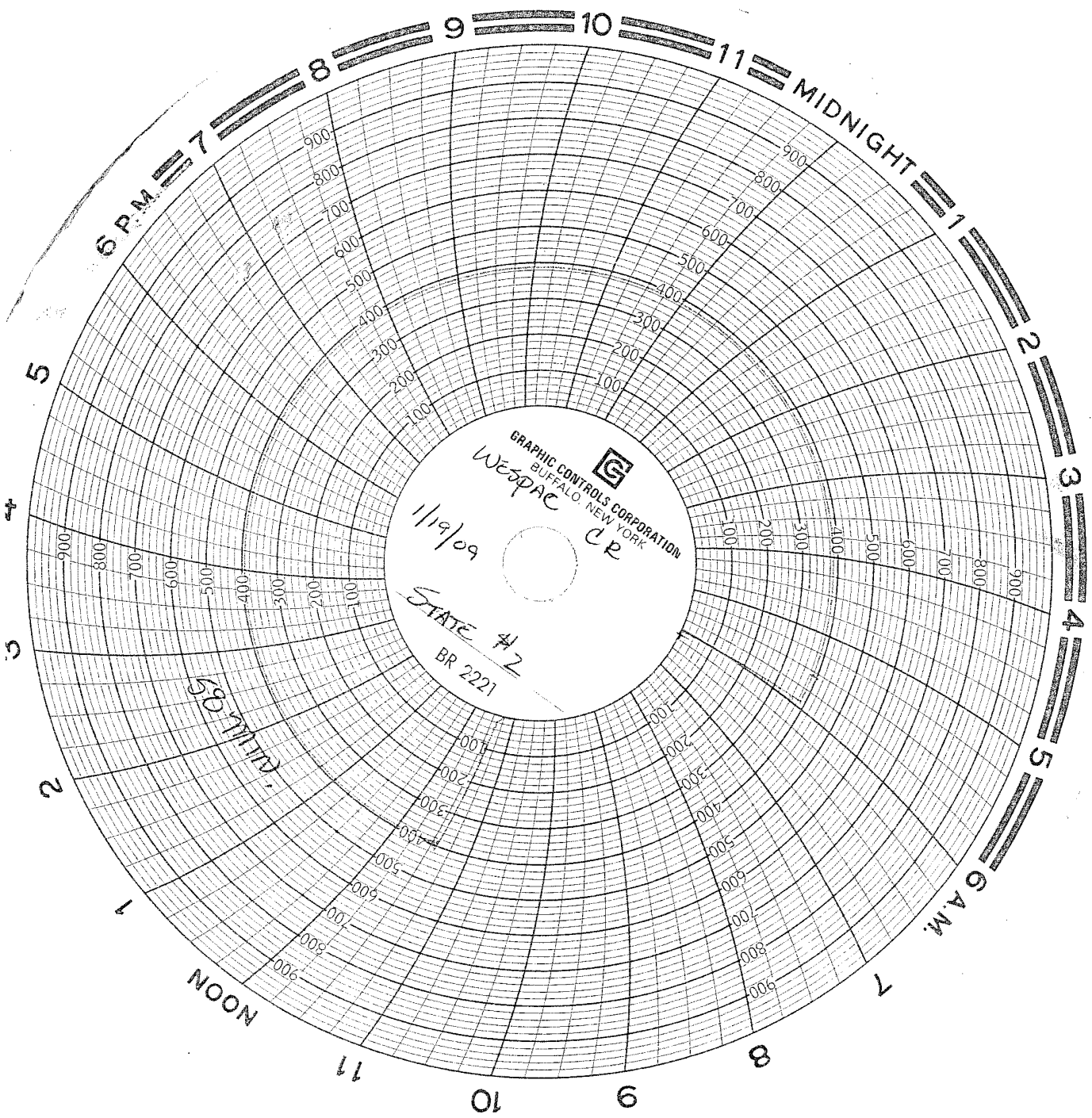
1/16/09 RAN PACKER & PIPE BACK IN HOLE SET PACKER LOAD & TEST WITH
STONE OIL FIELD KILL TRK. WOULD NOT TEST RELEASE PACKER CAME
BACK OUT OF HOLE PUT BULL PLUG ON THE PIPE LAY DOWN PACKER
RAN PIPE BACK IN PRESSURE UP EVEN 3 JTS FOUND 2 BAD COLLERS
REPLACED 2 JTS SHUT IN WELL FOR WEEKEND

1/19/09 PULL PIPE OUT OF HOLE TAKE OFF BULL PLUG OF PIPE PUT PACKER
BACK ON PIPE. RAN PIPE BACK IN SET PACKER FLANGE UP WELL
HEAD LOADED WELL BACKSIDE WITH H₂O + PACKER FLUID PRESS TO
390[#] HELD FOR 58 MIN. RELEASED KILL TRK. HOOKED UP FLOWLINE
RIG DOWN TW3 UNIT #232 RELEASED RIG

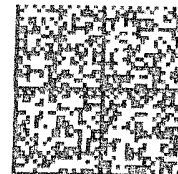
1/20/09 MET CRAIN MOVING RIG UP TO PUMP 1000 GAL ACID & FLUCEL
WITH 50 BBL 2% KCL H₂O MAX PRESS. 1000[#] ISIP 800[#]
WELL IS BACK IN SERVICE ALL WELLS BACK ON
END OF REPORT THANKS SHANE FERGUSON

P.S. SEND A COPY OF THIS REPORT TO O.C.D. ATT:
SILVIA DICKEN ALSO SEND THE CHART

30-005-20413-00-00



EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



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