State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin

Cabinet Secretary

Tony Delfin

Deputy Cabinet Secretary

David Catanach, Director Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

12-Jul-16

HARLOW ENTERPRISES LLC #26 CHALK BLUFF RD. ARTESIA NM 88210

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.

			INSPECTIO	N DETAIL	SECTION		
ADKINS STATE No.001 Inspection Date Type Inspection			Inspector	Violation?	F-17-18S-28E *Significant Non-Compliance?	30-015-01893-00- Corrective Action Due By:	Inspection No.
07/12/2016	Routine/Peri Violations General Housek	odic eeping (Rule 114	Tony Morales	Yes	No	10/15/2016	iTM1619438856
Comments on Inspection: OK. All Equipment and Location in ON LOCATION				n Good Shape. PJ. OLD SUCKER RODS AND TUBING			
TAHELINBAK No.001 Inspection Date Type Inspection		Inspector	Violation?	P-17-18S-28E *Significant Non-Compliance?	30-015-24459-00- Corrective Action Due By:	00 Inspection No.	
07/12/2016		entification Signs	Tony Morales (Rule 103)	Yes	No	10/15/2016	iTM1619436862
	Fire Walls and I General Housek	Dikes eeping (Rule 114	1)				•
Comments on Inspection:		OK. All Equipment and Location in Good Shape. PJ, TANK BATTERY, NO CONTAINMENT. LOCATION SIGN NOT VISIBLE OLD STAIR WELL AND SEPARATOR TANK ON LOCATION					

TAHELITDID No.001

I-17-18S-28E

30-015-24490-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant

Corrective

Inspection No.

07/12/2016

Routine/Periodic

Tony Morales

Yes

Non-Compliance? No

Action Due By: 10/15/2016

iTM1619437134

Violations

Fire Walls and Dikes

Comments on Inspection:

OK. All Equipment and Location in Good Shape. PJ. TANK BATTERY NO CONTAINMENT.

TEXACO STATE No.001

M-16-18S-28E

30-015-24656-00-00

Inspection

Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

07/12/2016

Routine/Periodic

Tony Morales

Yes

No

10/15/2016

iTM1619436409

Violations

Fire Walls and Dikes

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape.

PJ. STAINING AROUND WELL HEAD.

TANK BATTERY NO CONTAINEMNT OLD TUBING STAIR WELL ON LOCATION

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.

Sincerely,

Artesia OCD Distric

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.