## 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"

20-Jul-16

## SANDLOTT ENERGY (JACKIE BREWER DBA) PO BOX 711 LOVINGTON NM 88260

## **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  | ON DETAII           | L SECTION                                       |  |                      |
|---|--|--|---------------------|---|--|----------------------|
| RESLER YATES STATE No.061<br>Inspection<br>Date Type Inspection |  | Inspector  | Violation?          | C-32-18S-28E<br>*Significant<br>Non-Compliance? | 30-015-02146-00-<br>Corrective<br>Action Due By: | 00<br>Inspection No. |
| 07/20/2016  | Routine/Periodic   | Tony Morales   | Yes                 | No  | 10/23/2016                                       | iTM1620235849        |
|   | Violations   |  |                     |   |  |                      |
|   | Absent Well Identification Sig   | ns (Rule 103)  |                     |   |  |                      |
|   | General Housekeeping (Rule 1   |  |                     |   |  |                      |
|   | Seneral resubenceping (reale i   | 14)  |                     |   |  |                      |
| Comments  | on Inspection: OK. All Eq  | uipment and Location in<br>ING AND PJ ON LOCA                              |                     | . PJ. STAINING A                                | ROUND LOCATION                                   | ۷.                   |
|   | on Inspection: OK. All Eq  | uipment and Location in  |                     | PJ. STAINING A                                  | ROUND LOCATION                                   |                      |
|   | on Inspection: OK, All Eq<br>OLD TUB   | uipment and Location in  |                     |   |  |                      |
| RESLER Y.   | on Inspection: OK. All Eq<br>OLD TUB<br>ATES STATE No.355  | uipment and Location in<br>ING AND PJ ON LOCA                              | TION.               | A-32-18S-28E<br>*Significant                    | 30-015-02148-00-<br>Corrective                   | 00                   |
| RESLER Y<br>Inspection<br>Date                                  | on Inspection: OK, All Eq<br>OLD TUB<br>ATES STATE No.355<br>Type Inspection                     | uipment and Location in<br>ING AND PJ ON LOCA                              | TION.<br>Violation? | A-32-18S-28E<br>*Significant<br>Non-Compliance? | 30-015-02148-00-<br>Corrective<br>Action Due By: | 00<br>Inspection No. |
| RESLER Y<br>Inspection<br>Date                                  | on Inspection: OK. All Eq<br>OLD TUB<br>ATES STATE No.355<br>Type Inspection<br>Routine/Periodic | uipment and Location in<br>ING AND PJ ON LOCA<br>Inspector<br>Tony Morales | TION.<br>Violation? | A-32-18S-28E<br>*Significant<br>Non-Compliance? | 30-015-02148-00-<br>Corrective<br>Action Due By: | 00<br>Inspection No. |

| RESLER YATES STATE No.055<br>Inspection  |  |   |   |   | B-32-18S-28E<br>*Significant  | 30-015-02152-00-00<br>Corrective  |  |
|--|--|---|---|---|---|---|--|
| Date   | Type Inspect   | ion   | Inspector   | Violation?  | Non-Compliance?   |   | Inspection No.   |
| 07/20/2016   | Routine/Per  | iodic   | Tony Morales  | Yes   | No  | 10/23/2016  | iTM1620238697  |
|  | Violations   |   |   |   |   |   |  |
|  | Absent Well Id   | entification Sign   | s (Rule 103)  |   |   |   |  |
| Comments   | on Inspection:   | OK. All Equ   | ipment and Location in  | n Good Shape  | LOCATION SIGN   | NOT VISIBLE.  |  |
| <b>RESLER</b> Y  | ATES STAT  | E No.368  |   |   | G-32-18S-28E  | 30-015-10286-00-  | 00   |
| Inspection   | Type Inspecti  |   | Inspector   | Violation?  | *Significant  | Corrective  | Inspection No.   |
| Date   | •• •   |   | Inspector<br>Tony Morales   |   | Non-Compliance?   | Action Due By:  | -  |
| 07/20/2016   | Koutine/Per<br>Violations  |   |   | Yes   | No  | 10/23/2016  | iTM1620237201  |
|  |  | entification Sign   | s (Rule 103)  |   |   |   |  |
| Comments   | on Inspection:   | e   | ipment and Location in  | n Good Shape  | LOCATION SIGN   | NOT VISIBLE.  |  |
| RESLER Y   | ATES STAT  |   | ·   |   | H-32-185-28E  | 30-015-20094-00-0   | 00   |
| Inspection   |  | L 110.570   |   |   | *Significant  | Corrective  |  |
| Date   | Type Inspecti  | on  | Inspector   | Violation?  | Non-Compliance?   | Action Due By:  | Inspection No.   |
| 07/20/2016   | Routine/Per  | iodic   | Tony Morales  | Yes   | No  | 10/23/2016  | iTM1620238432  |
|  | Violations   |   |   |   |   |   |  |
|  |  | entification Sign   | • •   |   |   |   |  |
| Commonte   | on Inspection:   | keeping (Rule 11  | <sup>#)</sup> ipment and Location in  | C   |   |   | <b>、</b>   |
|  | -  | OLD PJ. ON  | I LOCATION. OLD TU<br>NNING THROUGH LO  | JBING AND   |   |   |  |
| RESLER Y   | ATES STAT  | E No.379  |   |   | G-32-18S-28E  | 30-015-20115-00-0   | )0   |
| Inspection<br>Date   | Type Inspection  | D.73  | Inspector   | Violation?  | *Significant  | Corrective  | Inspection No.   |
|  | ••••••   |   | mspector  | Tonation.   | Non-Compliance?   | Action Due By:  | moptemon rior  |
| N /// /IN//////////////////////////////  | Doutino/Dore   | odio  | Tony Morales  | Vec   | No  | 10/23/2016  | TM1620237500   |
| 07/20/2016   | Routine/Peri<br>Violations   | odic  | Tony Morales  | Yes   | No  | 10/23/2016  | íTM1620237509  |
| 07/20/2016   | Violations   |   | ·   | Yes   | No  | 10/23/2016  | íTM1620237509  |
| 07/20/2016   | Violations<br>Absent Well Ide  | odic<br>entification Signs<br>seeping (Rule 114   | (Rule 103)  | Yes   | No  | 10/23/2016  | íTM1620237509  |
|  | Violations<br>Absent Well Ide  | entification Signs<br>ceeping (Rule 11)<br>OK. All Equ  | (Rule 103)  |   |   |   | íTM1620237509  |
| Comments   | Violations<br>Absent Well Ide<br>General House   | entification Signs<br>ceeping (Rule 11<br>OK. All Equ<br>TUBING ON  | (Rule 103)<br>4)<br>ipment and Location in  |   |   |   |  |
| Comments<br>RESLER Y<br>Inspection   | Violations<br>Absent Well Ide<br>General Housek<br>on Inspection:<br>ATES STATI  | entification Signs<br>seeping (Rule 11<br>OK. All Equ<br>TUBING ON<br>E No.376  | (Rule 103)<br>4)<br>ipment and Location in<br>NLOCATION   | Good Shape.   | LOCATION SIGN I<br>F-32-18S-28E<br>*Significant   | NOT VISIBLE OLD<br>30-015-20123-00-0<br>Corrective  | 10   |
| Comments<br>RESLER Y<br>Inspection<br>Date   | Violations<br>Absent Well Idd<br>General Housek<br>on Inspection:<br>ATES STATI  | entification Signs<br>seeping (Rule 11<br>OK. All Equ<br>TUBING ON<br>E No.376  | (Rule 103)<br>4)<br>ipment and Location in<br>VLOCATION<br>Inspector  | Good Shape.<br>Violation?   | LOCATION SIGN I<br>F-32-18S-28E<br>*Significant<br>Non-Compliance?  | NOT VISIBLE OLD<br>30-015-20123-00-0<br>Corrective<br>Action Due By:  | 00<br>Inspection No.   |
| Comments<br>RESLER Y<br>Inspection<br>Date   | Violations<br>Absent Well Ide<br>General Housek<br>on Inspection:<br>ATES STATI<br>Type Inspectio<br>Routine/Peri  | entification Signs<br>seeping (Rule 11<br>OK. All Equ<br>TUBING ON<br>E No.376  | (Rule 103)<br>4)<br>ipment and Location in<br>NLOCATION   | Good Shape.   | LOCATION SIGN I<br>F-32-18S-28E<br>*Significant   | NOT VISIBLE OLD<br>30-015-20123-00-0<br>Corrective  | 10   |
| Comments<br>RESLER Y<br>Inspection<br>Date   | Violations<br>Absent Well Ide<br>General Housek<br>on Inspection:<br>ATES STATI<br>Type Inspectio<br>Routine/Peri<br>Violations  | entification Signs<br>eceping (Rule 11)<br>OK. All Equ<br>TUBING ON<br>E No.376<br>on<br>odic   | (Rule 103)<br>4)<br>ipment and Location in<br>N LOCATION<br>Inspector<br>Tony Morales   | Good Shape.<br>Violation?   | LOCATION SIGN I<br>F-32-18S-28E<br>*Significant<br>Non-Compliance?  | NOT VISIBLE OLD<br>30-015-20123-00-0<br>Corrective<br>Action Due By:  | 00<br>Inspection No.   |
| RESLER Y<br>Inspection   | Violations<br>Absent Well Idd<br>General Housek<br>on Inspection:<br>ATES STATI<br>Type Inspectio<br>Routine/Peri<br>Violations<br>Absent Well Idd   | entification Signs<br>ceeping (Rule 11<br>OK. All Equ<br>TUBING ON<br>E No.376<br>on<br>odic<br>entification Signs  | (Rule 103)<br>4)<br>ipment and Location in<br>V LOCATION<br>Inspector<br>Tony Morales<br>(Rule 103)   | Good Shape.<br>Violation?   | LOCATION SIGN I<br>F-32-18S-28E<br>*Significant<br>Non-Compliance?  | NOT VISIBLE OLD<br>30-015-20123-00-0<br>Corrective<br>Action Due By:  | 00<br>Inspection No.   |
| Comments<br>RESLER Y<br>Inspection<br>Date<br>07/20/2016   | Violations<br>Absent Well Idd<br>General Housek<br>on Inspection:<br>ATES STATI<br>Type Inspectio<br>Routine/Peri<br>Violations<br>Absent Well Idd   | entification Signs<br>seeping (Rule 11)<br>OK. All Equ<br>TUBING ON<br>E No.376<br>on<br>odic<br>entification Signs<br>seeping (Rule 11)  | (Rule 103)<br>4)<br>ipment and Location in<br>V LOCATION<br>Inspector<br>Tony Morales<br>(Rule 103)<br>4)   | Good Shape.<br>Violation?<br>Yes  | LOCATION SIGN I<br>F-32-18S-28E<br>*Significant<br>Non-Compliance?<br>No  | NOT VISIBLE OLD<br>30-015-20123-00-0<br>Corrective<br>Action Due By:<br>10/23/2016  | 00<br>Inspection No.<br>iTM1620236828  |
| Comments<br>RESLER Y<br>Inspection<br>Date<br>07/20/2016   | Violations<br>Absent Well Idd<br>General Housek<br>on Inspection:<br>ATES STATI<br>Type Inspectio<br>Routine/Peri<br>Violations<br>Absent Well Idd<br>General Housek   | entification Signs<br>ceeping (Rule 11)<br>OK. All Equ<br>TUBING ON<br>E No.376<br>on<br>odic<br>entification Signs<br>ceeping (Rule 11)<br>OK. All Equ   | (Rule 103)<br>4)<br>ipment and Location in<br>V LOCATION<br>Inspector<br>Tony Morales<br>(Rule 103)   | Good Shape.<br>Violation?<br>Yes<br>Good Shape.                                   | LOCATION SIGN I<br>F-32-18S-28E<br>*Significant<br>Non-Compliance?<br>No<br>PJ. LOCATION SIG  | NOT VISIBLE OLD<br>30-015-20123-00-0<br>Corrective<br>Action Due By:<br>10/23/2016<br>GN NOT MOUNTED.   | 00<br>Inspection No.<br>iTM1620236828  |
| Comments<br>RESLER Y<br>Inspection<br>Date<br>07/20/2016<br>Comments   | Violations<br>Absent Well Idd<br>General Housek<br>on Inspection:<br>ATES STATI<br>Type Inspectio<br>Routine/Peri<br>Violations<br>Absent Well Idd<br>General Housek   | entification Signs<br>eceping (Rule 11<br>OK. All Equ<br>TUBING ON<br>E No.376<br>on<br>odic<br>entification Signs<br>eceping (Rule 114<br>OK. All Equ<br>OLD PJ, SU                                | (Rule 103)<br>4)<br>ipment and Location in<br>V LOCATION<br>Inspector<br>Tony Morales<br>(Rule 103)<br>4)<br>ipment and Location in   | Good Shape.<br>Violation?<br>Yes<br>Good Shape.                                   | LOCATION SIGN I<br>F-32-18S-28E<br>*Significant<br>Non-Compliance?<br>No<br>PJ. LOCATION SIG  | NOT VISIBLE OLD<br>30-015-20123-00-0<br>Corrective<br>Action Due By:<br>10/23/2016<br>GN NOT MOUNTED.   | 00<br>Inspection No.<br>iTM1620236828  |
| Comments<br>RESLER Y<br>Inspection<br>Date<br>07/20/2016<br>Comments<br>RESLER Y<br>Inspection                       | Violations<br>Absent Well Idd<br>General Housek<br>on Inspection:<br>ATES STATI<br>Type Inspectio<br>Routine/Peri<br>Violations<br>Absent Well Idd<br>General Housek<br>on Inspection:<br>ATES STATE   | entification Signs<br>(Rule 11)<br>OK. All Equ<br>TUBING ON<br>E No.376<br>On<br>odic<br>entification Signs<br>(Rule 11)<br>OK. All Equ<br>OLD PJ, SU<br>E No.353                                   | (Rule 103)<br>4)<br>ipment and Location in<br>V LOCATION<br>Inspector<br>Tony Morales<br>(Rule 103)<br>4)<br>ipment and Location in<br>CKER RODS, TUBING                              | Good Shape.<br>Violation?<br>Yes<br>Good Shape.<br>GON LOCA1                      | LOCATION SIGN I<br>F-32-18S-28E<br>*Significant<br>Non-Compliance?<br>No<br>PJ. LOCATION SIG<br>ION. STAINING AI<br>B-32-18S-28E<br>*Significant                          | NOT VISIBLE OLD<br>30-015-20123-00-0<br>Corrective<br>Action Due By:<br>10/23/2016<br>GN NOT MOUNTED<br>ROUND WELL HEAI<br>30-015-22141-00-0<br>Corrective                    | 00<br>Inspection No.<br>iTM1620236828<br>D                                     |
| Comments<br>RESLER Y<br>Inspection<br>Date<br>07/20/2016<br>Comments<br>RESLER Y<br>Inspection<br>Date               | Violations<br>Absent Well Idd<br>General Housek<br>on Inspection:<br>ATES STATI<br>Type Inspectio<br>Routine/Peri<br>Violations<br>Absent Well Idd<br>General Housek<br>on Inspection:<br>ATES STATH<br>Type Inspectio                               | entification Signs<br>teeping (Rule 11<br>OK. All Equ<br>TUBING ON<br>E No.376<br>on<br>odic<br>entification Signs<br>teeping (Rule 114<br>OK. All Equ<br>OLD PJ, SU<br>E No.353<br>on              | (Rule 103)<br>4)<br>ipment and Location in<br>V LOCATION<br>Inspector<br>Tony Morales<br>(Rule 103)<br>4)<br>ipment and Location in<br>CKER RODS, TUBING<br>Inspector                 | Good Shape.<br>Violation?<br>Yes<br>Good Shape.<br>GON LOCAT                      | LOCATION SIGN I<br>F-32-18S-28E<br>*Significant<br>Non-Compliance?<br>No<br>PJ. LOCATION SIG<br>ION. STAINING AI<br>B-32-18S-28E<br>*Significant<br>Non-Compliance?       | NOT VISIBLE OLD<br>30-015-20123-00-0<br>Corrective<br>Action Due By:<br>10/23/2016<br>GN NOT MOUNTED.<br>ROUND WELL HEAI<br>30-015-22141-00-0<br>Corrective<br>Action Due By: | 00<br>Inspection No.<br>iTM1620236828<br>D<br>00<br>Inspection No.             |
| Comments<br>RESLER Y<br>Inspection<br>Date<br>07/20/2016<br>Comments<br>RESLER Y<br>Inspection<br>Date               | Violations<br>Absent Well Ide<br>General Housek<br>on Inspection:<br>ATES STATI<br>Type Inspectio<br>Routine/Peri<br>Violations<br>Absent Well Ide<br>General Housek<br>on Inspection:<br>ATES STATE<br>Type Inspectio<br>Routine/Peri               | entification Signs<br>teeping (Rule 11<br>OK. All Equ<br>TUBING ON<br>E No.376<br>on<br>odic<br>entification Signs<br>teeping (Rule 114<br>OK. All Equ<br>OLD PJ, SU<br>E No.353<br>on              | (Rule 103)<br>4)<br>ipment and Location in<br>V LOCATION<br>Inspector<br>Tony Morales<br>(Rule 103)<br>4)<br>ipment and Location in<br>CKER RODS, TUBING                              | Good Shape.<br>Violation?<br>Yes<br>Good Shape.<br>GON LOCA1                      | LOCATION SIGN I<br>F-32-18S-28E<br>*Significant<br>Non-Compliance?<br>No<br>PJ. LOCATION SIG<br>ION. STAINING AI<br>B-32-18S-28E<br>*Significant                          | NOT VISIBLE OLD<br>30-015-20123-00-0<br>Corrective<br>Action Due By:<br>10/23/2016<br>GN NOT MOUNTED<br>ROUND WELL HEAI<br>30-015-22141-00-0<br>Corrective                    | 00<br>Inspection No.<br>iTM1620236828<br>D                                     |
| Comments<br>RESLER Y<br>Inspection<br>Date<br>07/20/2016<br>Comments<br>RESLER Y<br>Inspection                       | Violations<br>Absent Well Idd<br>General Housek<br>on Inspection:<br>ATES STATI<br>Type Inspectio<br>Routine/Peri<br>Violations<br>Absent Well Idd<br>General Housek<br>on Inspection:<br>ATES STATH<br>Type Inspectio<br>Routine/Peri<br>Violations | entification Signs<br>seeping (Rule 114<br>OK. All Equ<br>TUBING ON<br>E No.376<br>on<br>odic<br>entification Signs<br>seeping (Rule 114<br>OK. All Equ<br>OLD PJ, SU<br>E No.353<br>on<br>odic     | (Rule 103)<br>4)<br>ipment and Location in<br>V LOCATION<br>Inspector<br>Tony Morales<br>(Rule 103)<br>4)<br>ipment and Location in<br>CKER RODS, TUBING<br>Inspector<br>Tony Morales | Good Shape.<br>Violation?<br>Yes<br>Good Shape.<br>GON LOCAT                      | LOCATION SIGN I<br>F-32-18S-28E<br>*Significant<br>Non-Compliance?<br>No<br>PJ. LOCATION SIG<br>ION. STAINING AI<br>B-32-18S-28E<br>*Significant<br>Non-Compliance?       | NOT VISIBLE OLD<br>30-015-20123-00-0<br>Corrective<br>Action Due By:<br>10/23/2016<br>GN NOT MOUNTED.<br>ROUND WELL HEAI<br>30-015-22141-00-0<br>Corrective<br>Action Due By: | 00<br>Inspection No.<br>iTM1620236828<br>00<br>Inspection No.                  |
| Comments<br>RESLER Y<br>Inspection<br>Date<br>07/20/2016<br>Comments<br>RESLER Y<br>Inspection<br>Date<br>07/20/2016 | Violations<br>Absent Well Idd<br>General Housek<br>on Inspection:<br>ATES STATI<br>Type Inspectio<br>Routine/Peri<br>Violations<br>Absent Well Idd<br>General Housek<br>on Inspection:<br>ATES STATH<br>Type Inspectio<br>Routine/Peri<br>Violations | entification Signs<br>(Rule 11)<br>OK. All Equ<br>TUBING ON<br>E No.376<br>On<br>odic<br>entification Signs<br>(Rule 114<br>OK. All Equ<br>OLD PJ, SU<br>E No.353<br>on<br>odic<br>eeping (Rule 114 | (Rule 103)<br>4)<br>ipment and Location in<br>V LOCATION<br>Inspector<br>Tony Morales<br>(Rule 103)<br>4)<br>ipment and Location in<br>CKER RODS, TUBING<br>Inspector<br>Tony Morales | Good Shape.<br>Violation?<br>Yes<br>Good Shape.<br>GON LOCAT<br>Violation?<br>Yes | LOCATION SIGN I<br>F-32-18S-28E<br>*Significant<br>Non-Compliance?<br>No<br>PJ. LOCATION SIG<br>ION. STAINING AI<br>B-32-18S-28E<br>*Significant<br>Non-Compliance?<br>No | NOT VISIBLE OLD<br>30-015-20123-00-0<br>Corrective<br>Action Due By:<br>10/23/2016<br>GN NOT MOUNTED.<br>ROUND WELL HEAI<br>30-015-22141-00-0<br>Corrective<br>Action Due By: | 00<br>Inspection No.<br>iTM1620236828<br>00<br>Inspection No.<br>iTM1620235390 |

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| RESLER Y           | ATES STATE No.382      |                           |             | F-32-18S-28E                    | 30-015-26366-00-00           |                |
|--------------------|------------------------|---------------------------|-------------|---------------------------------|------------------------------|----------------|
| Inspection<br>Date | Type Inspection        | Inspector                 | Violation?  | *Significant<br>Non-Compliance? | Corrective<br>Action Due By: | Inspection No. |
| 07/20/2016         | Routine/Periodic       | Tony Morales              | Yes         | No                              | 10/23/2016                   | iTM1620236570  |
|                    | Violations             |                           |             |                                 |                              |                |
|                    |                        |                           |             |                                 |                              |                |
| Comments of        | on Inspection: OK. All | Equipment and Location in | Good Shape. | PJ. LOCATION SI                 | GN NOT VISIBLE.              |                |

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,

D' (0 Artesia 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.