State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin

Cabinet Secretary

David Catanachia Director
Oil Conservation Division

Tony Delfin

Deputy Cabinet Secretary

Oli Conservation; Division



Response Required - Deadline Enclosed

15-Aug-16

PARRISH, H DWANE & RHONDA K

1306 S 9TH ST

ARTESIA NM 88210-

LETTER OF VIOLATION - Inactive Well(s)

Dear Operator:

A review of our records and recent inspection(s) indicate that the subject well(s) has been shut-in for an extended period of time. Rule 201 of the Rules and Regulation of the Oil Conservation Division provides that a well may be shut-in no longer than sixty days after suspension of drilling operations, upon determining that ther well is no longer usable (e.g., a dry hole), or one year after last production. To comply with guidelines as established in the Rules and Regulations, corrective actions must be taken immediately and the well(s) brought into compliance.

The detail section below indicates preliminary findings and/or probable nature of the violation.

The following options are available:

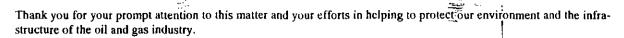
- 1. Immediately restore the well(s) to production, injection or disposal as applicable.
- 2. Request Temporary Abandoned' status pursuant to Rule 203, which requires that you set a plug and conduct a mechanical integrity test.
- 3. Submit a proposal to 'Plug and Abandon' the well(s) pursuant to Rule 202, proceed with plugging procedures on a timely basis after the proposal has been evaluated, amended and/or approved.

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.

IDLE WELL INSPECTION DETAIL SECTION

LOWE B STATE 001 B-4-19S-28E 30-015-10893-00-00 Inspection No. iGC1622842069 8/15/2016 11:41:08 AM **Inspection Date:** Corrective Action Due by: 11/18/2016 Type Inspection Inspector Violation? *Significant Non-Compliance? Routine/Periodic Gilbert Cordero Yes Comments on Inspection: Idle Well (Rule 19.15.25.8) LAST REPORTED PRODUCTION 11-1-14. NO LOCATION SIGN **LOWE B STATE 004** B-4-19S-28E 30-015-20532-00-00 Inspection No. iGC1622842271 **Inspection Date:** 8/15/2016 11:44:29 AM Corrective Action Due by: 11/18/2016 Type Inspection Inspector Violation? *Significant Non-Compliance? Routine/Periodic Gilbert Cordero Yes Comments on Inspection: Idle Well (Rule 19.15.25.8) LAST REPORTED PRODUCTION 11-1-14. NO LOCATION SIGN

Oil Conservation Division * 811 S. First St. * Artesia, New Mexico 88210 Phone: 575-748-1283 * Fax: 575-748-9720 * http://www.emnrd.state.nm.us



Sincerely,

COMPLIANCE OFFICER

Artesia OCD District Office

* Significant Non-Compliance events are reported directly to the U.S. Environmental Protection Agency, Region VI, Dallas, Texas.

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