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"

18-Aug-16

AGUA SUCIA LLC P.O. BOX 2081 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	N DETAII	L SECTION		
EAST SHU Inspection Date	GART UNIT No.025 Type Inspection	Inspector	Violation?	M-35-18S-31E *Significant Non-Compliance?	30-015-05690-00-0 Corrective Action Due By:	O Inspection No.
08/18/2016	Routine/Periodic	Gilbert Cordero	Yes	No	11/21/2016	iGC1623144383
Comments	on Inspection: No Well Sign	(Rule 19.15.16.8).				
EAST SHU Inspection Date	GART UNIT No.006 Type Inspection	Inspector	Violation?	C-35-18S-31E *Significant Non-Compliance?	30-015-05696-00-0 Corrective Action Due By:	0 Inspection No.
08/18/2016	Routine/Periodic	Gilbert Cordero	Yes	No	11/21/2016	iGC1623138207
Comments	on Inspection: Well Sign (Ru	le 19.15.16.8). OPER	ATOR (DE	VON) IS NOT CORR	ECT	
EAST SHU(Inspection Date	GART UNIT No.005	laspector	Violation?	D-35-18S-31E *Significant Non-Compliance?	30-015-05697-00-0 Corrective Action Due By:) Inspection No.
08/18/2016	Routine/Periodic	Gilbert Cordero	Yes	Noa-Computate: No	•	iGC1623137811
00/10/2010	4	e 19.15.16.8). OPERA			1,21,2010	

EAST SHU	GART WSW		No.001		F-35-18S-31E	30-015-22603-00-	00
Date	Type Inspection	I	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/18/2016	Routine/Perio	dic	Gilbert Cordero	Yes	No	11/21/2016	iGC1623138450
Comments o	on Inspection:	No Well Sign	(Rule 19.15.16.8).				
EAST SHU(Inspection Date	GART UNIT N Type Inspection		["" Inspector	Violation?	G-35-18S-31E *Significant Non-Compliance?	30-015-27944-00- Corrective Action Due By:	00 Inspection No.
08/18/2016	Routine/Perio	dic	- Gilbert Cordero	Yes	No	11/21/2016	iGC1623138792
Comments o	on Inspection:	Well Sign (Ru	le 19.15.16.8). OPER	ATOR (DE	VON) IS NOT CORR		
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EAST SHU(Inspection Date	GART UNIT N Type Inspection		Inspector	Violation?	G-35-18S-31E *Significant Non-Compliance?	30-015-27949-00- Corrective Action Due By:	DO Inspection No.
08/18/2016	Routine/Perio	dic	Gilbert Cordero	Yes	No	11/21/2016	iGC1623138944
	on Inspection:	No Well Sign	(Rule 19.15.16.8).				
Comments o EAST SHU(Inspection	GART UNIT	I	No.076		F-35-18S-31E *Significant	30-015-28201-00-0 Corrective	
Comments o EAST SHU(Inspection Date	GART UNIT	U	No.076 Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
Comments o EAST SHU(Inspection Date	GART UNIT	I	No.076 Inspector Gilbert Cordero	Yes	*Significant Non-Compliance? No	Corrective	
Comments o EAST SHU(Inspection Date 08/18/2016	GART UNIT	I	No.076 Inspector	Yes	*Significant Non-Compliance? No	Corrective Action Due By:	Inspection No.
Comments o EAST SHU(Inspection Date 08/18/2016 Comments o EAST SHU(Inspection	GART UNIT Type Inspection Routine/Perior In Inspection: GART UNIT N	lic Well Sign (Ru 10.075	No.076 Inspector Gilbert Cordero le 19.15.16.8). OPER	Yes	*Significant Non-Compliance? No OT CORRECT K-35-18S-31E *Significant	Corrective Action Due By: 11/21/2016 30-015-28204-00-(Corrective	Inspection No. iGC1623138608
Comments o EAST SHU(Inspection Date 08/18/2016 Comments o EAST SHU(Inspection Date	GART UNIT Type Inspection Routine/Perior on Inspection: GART UNIT N Type Inspection	dic Well Sign (Ru lo.075	No.076 Inspector Gilbert Cordero le 19.15.16.8). OPER Inspector	Yes ATOR IS No Violation?	*Significant Non-Compliance? No OT CORRECT K-35-18S-31E *Significant Non-Compliance?	Corrective Action Due By: 11/21/2016 30-015-28204-00-0 Corrective Action Due By:	Inspection No. iGC1623138608 00 Inspection No.
Comments o EAST SHU(Inspection Date 08/18/2016 Comments o EAST SHU(Inspection Date 08/18/2016	GART UNIT Type Inspection Routine/Perior In Inspection: GART UNIT N Type Inspection Routine/Perior	dic Well Sign (Ru 10.075 dic	No.076 Inspector Gilbert Cordero le 19.15.16.8). OPER	Yes ATOR IS N	*Significant Non-Compliance? No OT CORRECT K-35-18S-31E *Significant	Corrective Action Due By: 11/21/2016 30-015-28204-00-(Corrective	Inspection No. iGC1623138608 00 Inspection No.
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Comments o EAST SHU(Inspection Date 08/18/2016 Comments o EAST SHU(Inspection Date 08/18/2016 Comments o EAST SHU(Inspection	GART UNIT Type Inspection Routine/Periodon Inspection: GART UNIT N Type Inspection Routine/Periodon Inspection:	lic Well Sign (Ru l o.075 lic No Well Sign (No.076 Inspector Gilbert Cordero le 19.15.16.8). OPER Inspector Gilbert Cordero	Yes ATOR IS No Violation?	*Significant Non-Compliance? No OT CORRECT K-35-18S-31E *Significant Non-Compliance? No C-35-18S-31E *Significant	Corrective Action Due By: 11/21/2016 30-015-28204-00-(Corrective Action Due By: 11/21/2016 30-015-28218-00-(Corrective	Inspection No. iGC1623138608 00 Inspection No. iGC1623133145
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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,

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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.