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:)) Inspection No.
08/18/2016	Routine/Periodic	Gilbert Cordero	Yes	No	11/21/2016	iGC1623144383
Comments	on Inspection: No Well Sig	n (Rule 19.15.16.8).		· · · · · · · · · · · · · · · · · · ·		
EAST SHU	GART UNIT No.006 Type Inspection	Inspector	Violation?	C-35-18S-31E *Significant Non-Compliance?	30-015-05696-00-(Corrective Action Due By:)() Inspection No.
08/18/2016	Routine/Periodic	Gilbert Cordero	Yes	No	11/21/2016	iGC1623138207
Comments	on Inspection: Well Sign (R	Lule 19.15.16.8). OPER	ATOR (DE	VON) IS NOT CORR	ECT	
EAST SHUGART UNIT No.005 Inspection				D-35-18S-31E	0-35-18S-31E 30-015-05697-00-00 *Significant Corrective	
Date	Type Inspection	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
08/18/2016	Routine/Periodic	Gilbert Cordero	Yes	No	11/21/2016	iGC1623137811
Comments o	on Inspection: Well Sign (R	ule 19.15.16.8). OPER/	ATOR (ARC	O) IS INCORRECT		

	GART WSW	No.001	•	F-35-18S-31E	30-015-22603-00-	00
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/18/2016	Routine/Periodic	Gilbert Cordero	Yes	No	11/21/2016	iGC1623138450
Comments	on Inspection: No	Well Sign (Rule 19.15.16.8).		· · · · · · · · · · · · · · · · · · ·		
EAST SHU Inspection Date	GART UNIT No.05	50 (19) . Inspector	Violation?	G-35-18S-31E *Significant Non-Compliance?	30-015-27944-00- Corrective Action Due By:	DO Inspection No.
08/18/2016	Routine/Periodic	Gilbert Cordero	Yes	No	11/21/2016	iGC1623138792
	,	Sign (Rule 19.15.16.8). OPER				1001020100100
EAST SHU Inspection Date	GART UNIT No.05 Type Inspection	56 Inspector	Violation?	G-35-18S-31E *Significant Non-Compliance?	30-015-27949-00-0 Corrective Action Due By;)0 Inspection No.
08/18/2016	Routine/Periodic	Gilbert Cordero	Yes	No	11/21/2016	iGC1623138944
Comments	n Inspection: No	Well Sign (Rule 19.15.16.8).				
Inspection	GART UNIT	No.076		F-35-18S-31E *Significant	30-015-28201-00-0 Corrective	
Date	Type Inspection	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
08/18/2016	Routine/Periodic	Gilbert Cordero	Yes	No	11/21/2016	iGC1623138608
Comments o	n Inspection: Well	Sign (Rule 19.15.16.8). OPER	ATOR IS N	OT CORRECT		
Inspection	GART UNIT No.07	/5	_	K-35-18S-31E *Significant	30-015-28204-00-(Corrective	
Inspection Date	SART UNIT No.07 Type Inspection	25 Inspector	Violation?	K-35-18S-31E *Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
Inspection Date 08/18/2016	GART UNIT No.07 Type Inspection Routine/Periodic	75 Inspector Gilbert Cordero		K-35-18S-31E *Significant	Corrective	
Inspection Date 08/18/2016	GART UNIT No.07 Type Inspection Routine/Periodic	25 Inspector	Violation?	K-35-18S-31E *Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
Inspection Date 08/18/2016 Comments o	GART UNIT No.07 Type Inspection Routine/Periodic	5 Inspector Gilbert Cordero Well Sign (Rule 19.15.16.8).	Violation? Yes	K-35-18S-31E *Significant Non-Compliance?	Corrective Action Due By:	Inspection No. iGC1623133145
Inspection Date 08/18/2016 Comments o EAST SHUC Inspection Date	SART UNIT No.07 Type Inspection Routine/Periodic n Inspection: No V	75 Inspector Gilbert Cordero Well Sign (Rule 19.15.16.8). 9 Inspector	Violation?	K-35-18S-31E *Significant Non-Compliance? No C-35-18S-31E *Significant Non-Compliance?	Corrective Action Due By: 11/21/2016 30-015-28218-00-0 Corrective Action Due By:	Inspection No. iGC1623133145 0 Inspection No.
Inspection Date 08/18/2016 Comments o EAST SHUC Inspection	SART UNIT No.07 Type Inspection Routine/Periodic n Inspection: No V SART UNIT No.06	5 Inspector Gilbert Cordero Well Sign (Rule 19.15.16.8). 9	Violation? Yes	K-35-18S-31E *Significant Non-Compliance? No C-35-18S-31E *Significant	Corrective Action Due By: 11/21/2016 30-015-28218-00-0 Corrective	Inspection No. iGC1623133145

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.
