State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin

Cabinet Secretary

David Catanach, DirectorOil Conservation Division



Tony Delfin

Deputy Cabinet Secretary

Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

14-Sep-16

SANDERS OIL & GAS CO P. O. BOX 6640 TYLER TX 75711

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.

INCDE	CTION	DETAIL	SECTION

MESA DIABLO FEDERAL No.001

P-35-9S-25E

30-005-61606-00-00

Inspection Date

Type Inspection

Inspector

Gilbert Cordero

Violation?

Yes

*Significant Non-Compliance? No Corrective Action Due By: 12/18/2016

Inspection No. iGC1625832220

Comments on Inspection:

09/14/2016 Routine/Periodic

SAFETY PROCEDURES (RULE 19.15.10.8). LOCATION NEEDS TO BE CLEARED OF

WEEDS - FIRE HAZARD. WELL SIGN IS NOT LEGIBLE

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

Compliance Officer

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.