State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin

Cabinet Secretary

Tony Delfin

Deputy Cabinet Secretary

David Catanach, DirectorOil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

12-Oct-16

DWIGHT A TIPTON

PO BOX 1025

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.

| | | IN | SPECTIO | N DETĄĮĮ | SECTION | | |
|--------------------------------|---|---------------------------------|---------------|-------------|---|---|----------------|
| MABEL No Inspection Date | 0.002 Type Inspection | n Inspe | ector | Violation? | H-30-10S-28E *Significant Non-Compliance? | 30-005-60736-00-0 Corrective Action Due By: | Inspection No. |
| 10/11/2016 | Routine/Perio Violations Surface Leaks/Sp | | y Morales | Yes | No . | 1/14/2017 | iTM1628534748 |
| PLAINS 29 | on Inspection: | OK. All Equipment an | d Location in | Goo OLP T | | | |
| Inspection Date | Type Inspection | Inspe | ector | Violation? | E-29-10S-28E *Significant Non-Compliance? | 30-005-61385-00-6 Corrective Action Due By: | Inspection No. |
| 10/11/2016 | Routine/Perio Violations Surface Leaks/Sp | | y Morales | Yes | No | 1/14/2017 | iTM1628533937 |
| Comments | on Inspection: | OK. All Equipment and POWER OFF | d Location in | Good Shape. | PJ STAINING AR | OUND WELL HEAD |) |

BEL No.006 H-30-10S-28E 30-005-61909-00-00 *Significant aspection Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 11/2016 Routine/Periodic Tony Morales Yes iTM1628534456 No 1/14/2017 Violations Absent Well Identification Signs (Rule 103) Surface Leaks/Spills Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELLHEAD LOCATION SIGN NOT LEGIBLE OLD TUBING ON LOCATION. D-29-10S-28E AINS 29 No.006 30-005-61992-00-00 spection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Non-Compliance? Date Action Due By: 12/2016 Routine/Periodic **Tony Morales** Yes No 1/15/2017 iTM1628644551 Violations Surface Leaks/Spills comments on Inspection: OK. All Equipment and Location in Good Shape. NO PJ. FRESH OIL AROUND WELLHEAD. AINS 29 No.005 E-29-10S-28E 30-005-61998-00-00 spection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 1/2016 Routine/Periodic **Tony Morales** 1/14/2017 iTM1628534157 Yes No Violations Absent Well Identification Signs (Rule 103) Surface Leaks/Spills omments on Inspection: OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELLHEAD LOCATION SIGN NOT VISIBLE. OLD SUCKER RODS ON LOCATION. INS 29 No.007 E-29-10S-28E 30-005-62128-00-00 *Significant Corrective spection Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 1/2016 Routine/Periodic Tony Morales Yes No 1/14/2017 iTM1628533604 Violations Surface Leaks/Spills OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELLHEAD omments on Inspection: LOCATION SIGN DOWN. TANK BATTERY NO PLACARD/ WINDSOCK NO SECONDARY IMPERMEABLE CONTAINMENT-BERM PLAINS No.011 P-19-10S-28E 30-005-62205-00-00 *Significant Corrective pection **Type Inspection** Inspector Violation? Inspection No. Date Non-Compliance? **Action Due By:** 1/15/2017 2/2016 Routine/Periodic Tony Morales Yes iTM1628646287 **Violations** Absent Well Identification Signs (Rule 103) mments on Inspection: OK. All Equipment and Location in Good Shape. NO PJ. LOCATION SIGN NOT VISIBLE, PLAINS No.015 O-19-10S-28E 30-005-62291-00-00 pection Corrective *Significant **Type Inspection** Violation? Inspection No. Inspector Date Non-Compliance? Action Due By: 1/15/2017 iTM1628645839 Routine/Periodic Tony Morales 2/2016 Yes No Violations Absent Well Identification Signs (Rule 103) mments on Inspection: OK. All Equipment and Location in Good Shape. PJ NOT CONNECTED TO WELL HEAD. LOCATION SIGN NNOT VISIBLE **EL No.008** B-30-10S-28E 30-005-62322-00-00 pection *Significant Corrective Type Inspection Inspection No. Date Inspector Violation? Non-Compliance? Action Due By: 1/2016 Routine/Periodic Tony Morales iTM1628645206 Yes No 1/15/2017 Violations Surface Leaks/Spills nments on Inspection: OK. All Equipment and Location in Good Shape. PJ. FRESH OIL AROUND WELL HEAD.

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PLAINS 29 No.008 L-29-10S-28E 30-005-62624-00-00 *Significant Inspection Corrective Inspection No. Type Inspection Inspector Violation? Non-Compliance? Date **Action Due By:** 10/11/2016 Routine/Periodic Tony Morales Yes No 1/14/2017 iTM1628533346 Violations Surface Leaks/Spills **Comments on Inspection:** OK. All Equipment and Location in Good Shape. PJ POWER OFF STAINING AROUND WELLHEAD. NASTY No.001 L-20-10S-28E 30-005-62634-00-00 *Significant Corrective Inspection Inspection No. Type Inspection Inspector Violation? Non-Compliance? Action Due By: Date 10/12/2016 Routine/Periodic **Tony Morales** Yes No 1/15/2017 iTM1628648591 Violations General Housekeeping (Rule 114) **Comments on Inspection:** OK. All Equipment and Location in Good Shape. PJ. POWER OFF, LOTS OF DEBRIS ON LOCATION UNMARKED 55 GALLON DRUMS. HOLDING TANK NO NETTING. MABEL No.009 A-30-10S-28E 30-005-62715-00-00 *Significant Inspection Corrective **Type Inspection** Violation? Inspection No. Inspector Date Non-Compliance? Action Due By: 10/12/2016 Routine/Periodic **Tony Morales** Yes No 1/15/2017 iTM1628644948 Violations Absent Well Identification Signs (Rule 103) General Housekeeping (Rule 114) **Comments on Inspection:** OK. All Equipment and Location in Good Shape. PJ NOT CONNECTED TO WELL HEAD OLD PJ ON LOCATION LOCATION SIGN NOT VISIBLE.

CX PLAINS No.018

P-19-10S-28E 30-005-63030-00-00

Inspection Date

10/12/2016

Type Inspection Routine/Periodic Inspector

Violation? Tony Morales

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

Violations

Yes

No

1/15/2017

iTM1628646759

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape. PJ NOT CONNECTED TO WELLHEAD. OLD SUCKER RODS / TANK BATTERY ON LOCATION.

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,

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.