State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin

Cabinet Secretary

David Catanach, Director

Oil Conservation Division



Tony Delfin

Deputy Cabinet Secretary

Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

01-Dec-16

SCYTHIAN LTD

300 N. MARIENFELD SUITE 950 MIDLAND TX 79701

LETTER OF VIOLATION - Inspection

Dear Operator:

Comments on Inspection:

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.

		INSPECTION	N DETAIL	L SECTION		
MIDDLE FORK FEDERAL No.004 Inspection Date Type Inspection Inspector			Violation?	G-8-6S-23E *Significant Non-Compliance?	30-005-62399-00- Corrective Action Due By:	Inspection No.
12/01/2016	Routine/Periodic	Gilbert Cordero	Yes	No	3/6/2017	iGC1633637415
Comments	on Inspection: Well Sign (I	Rule 19.15.16.8). OPERA	ATOR (MC	KAY) IS NOT CORR	ECT	
MILLER B FEDERAL No.005				4-6-6S-23E	30-005-63729-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/01/2016	Routine/Periodic	Gilbert Cordero	Yes	No	3/6/2017	iGC1633636648

Well Sign (Rule 19.15.16.8). OPERATOR NAME AND WELL NAME NOT VISIBLE.

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.