State Of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor Sarah Cottrell Propst Cabinet Secretary Todd E. Leahy, JD, PhD Deputy Cabinet Secretary

Adrienne Sandoval Division Director

<u>"Response Required - Deadline</u> <u>Enclosed"</u>

Field Inspection Program "Preserving the Integrity of Our Environment"



09-Feb-21

L E JONES OPERATING INC P.O. Box 1185 Duncan, OK 73534 **LETTER OF VIOLATION - Field Inspection**

Dear Operator:

The following inspection indicates that the well, equipment, location or operational status of the well 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 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 DETAIL SECTION

[30-025-36732] WILLIAM MCNEILL 30 #001			OGRID: 180930	P-30-19S-38E 980 FSL 738 FEL	
Inspection Date 1/13/2021	Type Inspection Routine Inspection	Inspector [EZB] Eugene Bolton	Corrective Action Due By 5/9/2021	Inspection No. iEZB211349914	
Violations:					
Rule 19.15.10.8 Safety Procedures for Drilling and Production					Violation Substandard Equipment and/or Needs Repair
Comment: Place net on recycling catch basin. Install overflow prevention at south tank. Repair wellhead valve causing fresh crude spill. Prevent crude collection in south prod water tank.					
19.15.29 Releases					Surface Leaks/Spills
Comment: Remove fresh fluid and hydrocarbon at wellhead Crude leak at north tank, separator, and wellhead. Determine hydrocarbon depth with sampling and remove soil / crude mix. Overflow of both prod water and crude at south tank. Determine prod water chloride depth with sampling and remove chloride / soil mix. Replace all areas with good ground as necessary for safe level.					-

2/9/2021

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 Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely, BL=

Eugene Bolton, Compliance Ofc. Hobbs OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

Oil Conservation Division * 1625 N. French Drive * Hobbs, NM 88240 Phone: 575-393-6161 * Fax: 575-393-0720 * www.emnrd.state.nm.us