

OCD Exhibit 3

New Mexico Oil Conservation Division Civil Penalty Calculation Worksheet

Violation Summary

Alleged Violator: **Wespac Energy, LLC**

Violation Date:

Citation	Description	MinPA(\$)
5.9(A)(4)(a)	each inactive well exceeding the threshold	\$ 250.00
	Basis: <i>See NOV.</i>	
	Number of Inactive Wells	7
	Penalty Subtotal:	\$ 1,750.00

Adjustment Factors

Effort to Comply:	Factor
Comments: <i>TBD</i>	
History of Non-Compliance:	
Comments:	
Negligence and Willfulness:	
Negligence	0.2
Comments: <i>Barry Lee knew or should have known that the wells were inactive.</i>	
Economic Impact:	
Less than 50 wells or gross sales less than \$500,000	0
Comments: <i>Wespac has registered 10 wells with OCD.</i>	
Factor Subtotal:	1.2

Outstanding Conditions

MaxPA(\$)/day
No outstanding conditions
Total Penalty= \$ 2,100.00

