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"



LETTER OF VIOLATION - Field Inspection

01-Oct-20

LANEXCO INC 9147 Briar Forest

Houston, TX 77024

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

[30-025-26483] JUST	ΓIS C FEDERAL #001		OGRID: 13046	O-11-25S-37E 330 FSL 2310 FEL	
Inspection Date 9/9/2020	Type Inspection Routine Inspection	Inspector [KF] Kerry Fortner	Corrective Action Due By 12/8/2020	Inspection No. iKF2025340706	
Violations:					
Rule		Violation	Violation		
19.15.16 Drilling and Production		Noncompliance v	Noncompliance with Requirements (Construction, Operations or Closure)		
Comment:					
Idle well rule No Production reported since 2/1/15					
19.15.16.8 Sign on Wells		Absent Well Iden	Absent Well Identification Sign		
Comment:					
No well sign					

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, Keny Fortnee

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