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> Enclosed"

02-Sep-20

MOMENTUM OPERATING CO INC P. O. Box 2439 Albany, TX 76430

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

[30-025-01727] TEAS YATES UNIT #111			OGRID: 196069	B-14-20S-33E 990 FNL 2310 FEL
Inspection Date 9/2/2020	Type Inspection Routine Inspection	Inspector [GR] Gary Robinson	Corrective Action Due By 12/1/2020	Inspection No. iGR2024644317
<u>Violations:</u> Rule	L L			Violation
19.15.26 Injection				Detection of Deficient Mechanical
Comment:				Integrity

This well failed a MIT test 8-15-2017, as of 9-1-2020 the NMOCD has not received a C-103 or any documentation the well has been repaired. Well has been shut in since 8-15-2017. To get the well back injecting we need to receive a C-103 intent, then a C-103 subsequent with what work was done, well bore diagram and schedule a post workover test. Also, may have lost authority to inject, since no injection since 2017.

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.



LETTER OF VIOLATION - Field Inspection

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