State Of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

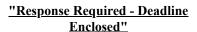
Sarah Cottrell Propst

Cabinet Secretary

Todd E. Leahy, JD, PhD

Deputy Cabinet Secretary

Adrienne Sandoval Division Director



Field Inspection Program "Preserving the Integrity of Our Environment"



04-Nov-20

CAMERON OIL & GAS INC

P.O. Box 1089 Eunice, NM 88231

Dear Operator:

LETTER OF VIOLATION - Field Inspection

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

OGRID: 181109 K-30-16S-37E 1650 FSL 1950 FWL [30-025-21739] STATE Q #002

Inspection Date Type Inspection Inspector **Corrective Action Due By** Inspection No. 10/16/2020 2/4/2021 iEZB2029044769 Routine Inspection [EZB] Eugene Bolton

Violations:

Rule Violation

19.15.29 Releases Threat of USDW Contamination

Comment:

Long-term release appears to have hazmat soil piled on berm, extensive release, netting laying on liquids of an open tank.

Substandard Equipment and/or Needs Repair

Ineffective netting over open tank.

19.15.10.8 Safety Procedures for Drilling and Production

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,

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