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

"Response Required - Deadline Enclosed"

Field Inspection Program "Preserving the Integrity of Our Environment"



29-Dec-20

AVRA OIL CO 17130 Dallas Parkway Suite 265 Dallas, TX 75248 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

[30-025-27416] WIL	LIAMS #001		OGRID: 1340	G-11-18S-38E 1980 FNL 1660 FEL	
Inspection Date 12/18/2020	Type Inspection Routine Inspection	Inspector [EZB] Eugene Bolton	Corrective Action Due By 3/31/2021	Inspection No. iEZB2035335653	
Violations: Rule 19.15.10.8 Safety	Procedures for Drilling	and Production			Violation General Housekeeping Required
drums and pails, n	naintain closed fence, re	move abandoned productio	l all fluid containers being used, n lines at site and toward tank ba Remove prod lines from over fer	ttery. Tank battery: close thief	-
19.15.29 Releases					Surface Leaks/Spills
200 m. Tank batte	ry: extreme releases from	m top and bottom of tanks,	ix. Remove prod water release o unauthorized pits in soil, berm o	verwhelmed by	

hydrocarbon/chem/prod water, berm overflow of hydrocarbon/prod water 100 ft radius to ground beyond location, hydrocarbon/soil mix piles, no evidence of diligence to safety and with the degree of a critical environmental hazard. Complete Form C-141.

19.15.10.8 Safety Procedures for Drilling and Production

Comment:

Substandard Equipment

and/or Needs Repair 12/29/2020

Repair leaking stuffing box. Confirm structural integrity of all tanks, lines, fittings, appliances at both PJ and distant TB to the east. Dilapidated separator and lines. Ensure proper production lines to top of tanks. Ensure equip has overflow prevention at TB.

19.15.16.8 Sign on Wells

Comment: Install proper signage per rule. Absent Well Identification 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, En BLE

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.

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