State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin

Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey, Division Director Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program

"Preserving the Integrity of Our Environment"

30-Jun-14

HOBBS OCD

JUL 01 2014

BRAMMER ENGINEERING, INC.

400 TEXAS STREET SUITE 600

SHREVEPORT LA 71101

RECEIVED

LETTER OF VIOLATION - Inspection

Dear Operator:

The following inspection(s) indicate that the well, equipment, location or operational status of the well(s) 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(s) 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

R R SIMS B No.002 O-4-23S-37E 30-025-41482-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Non-Compliance? Inspection No. Date Action Due By: 06/26/2014 Routine/Periodic Mark Whitaker Yes No 8/25/2014 iMAW1417757939 Violations Surface Damage/Restoration Comments on Inspection: DO NOT RELEASE. Oil drum on west side of pad. Cellar has not been filled in. Well sign at entrance to location. Barbed wire fence around location. NEED TO REMOVE AND PROPERLY DISPOSE OF OIL DRUM, REMOVE TRASH FROM AND FILL IN CONDUIT AROUND DRY HOLE MARKER TO GROUND LEVEL, REMOVE WELL SIGN, AND REMOVE T-POSTS, CORNER POSTS, AND BARBED WIRE. 1st notice. **B F HARRISON B** No.029 E-9-23S-37E 30-025-41552-00-00

Inspection *Significant Corrective

Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: Routine/Periodic Mark Whitaker Yes 06/25/2014 No 8/25/2014 iMAW1417659787

Violations

Surface Damage/Restoration

Comments on Inspection: DO NOT RELEASE. Operator has not filled in cellar at dry hole marker. NEED TO REMOVE

TRASH FROM CONDUIT AND FILL TO SURFACE. 1st notice.

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 Divison Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,

COMPLIANCE OFFICER

Hobbs OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

*Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.

EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



015H14150977 \$0.48 07/01/14 Mailed From 88240

BRAMMER ENGINEERING, INC 400 TEXAS STREET SUITE 600 SHREVEPORT, LA 71101