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"

21-Aug-14

SABER OIL & GAS VENTURES, LLC 400 W ILLINOIS, SUITE 950 MIDLAND TX 79701

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	N DETAIL	L SECTION		
LANGLIE I Inspection Date	MATTIX UNIT N Type Inspection	No.004 No.004	Violation?	N-14-24S-37E *Significant Non-Compliance?	30-025-11100-00- Corrective Action Due By:	00 Inspection No.
08/21/2014	Routine/Periodic Violations Absent Well Identifi	cation Signs (Rule 103)	Yes	No	10/21/2014	iMAW1423343791
	R	rong operator on well sign (Rule 1 EFLECT CURRENT OPERATOR		CE.		
LANGLIE I Inspection Date	MATTIX UNIT N Type Inspection	No.002	Violation?	L-14-24S-37E *Significant Non-Compliance?	30-025-11101-00- Corrective Action Due By:	00 Inspection No.
08/21/2014	Routine/Periodic Violations Absent Well Identifi	2 Mark Whitaker cation Signs (Rule 103)	Yes	No	11/24/2014	iMAW142334343(
Comments		rong operator on well sign (Rule 1 EFLECT CURRENT OPERATOR			WELL SIGN TO	

Inspection Date	MATTIX UNI Type Inspection	l Anna 11 Anna 1	Inspector	Violation?	P-23-24S-37E *Significant Non-Compliance?	30-025-11220-00- Corrective Action Due By:	Inspection No.
08/21/2014	Routine/Perio Violations Absent Well Iden		Mark Whitaker Rule 103)	Yes	No .	10/21/2014	iMAW1423339617
Comments (on Inspection:		or on well sign (Rule 1 uction. NEED TO CC 1ST NOTICE.				ator
	MATTIX UNI				F-23-24S-37E *Significant	30-025-11221-00- Corrective	00, 1999 (1999)
Date	Type Inspection	i L	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
08/21/2014	Routine/Perio		Mark Whitaker	Yes	No	10/21/2014	iMAW1423341911
	Violations Absent Well Iden	tification Signs (I	Rule 103)				
Comments	on Inspection:		Rule 19.15.16.8). Oth alve on flowline. Oper				SIGN.
LANGLIE I Inspection Date	MATTIX UNI Type Inspection		Inspector	Violation?	B-23-24S-37E *Significant Non-Compliance?	30-025-11223-00- Corrective Action Due By:	00 Inspection No.
08/21/2014	Routine/Perio		Mark Whitaker	Yes .	No	10/21/2014	iMAW1423340635
1	Violations Absent Well Iden Surface Damage/	tification Signs (I				··· ·	н А.С.
Comments	on Inspection:	CORRECT W	or on well sign (Rule : ELL SIGN TO REFL ATED SOIL AND FLU	ECT CURRE	CT OPERATOR AN	D TO REMOVE	
LANCHE	MATTIX UNI				G-23-24S-37E	30-025-30158-00-	00
Inspection Date	Type Inspection	1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 -	Inspector	Violation?	*Significant Non-Compliance?	Corrective	Inspection No.
08/21/2014	Routine/Perio Violations	dic	Mark Whitaker	Yes	No		iMAW1423340181
Franker in te	Absent Well Iden	tification Signs (1	Rule 103)				

Comments on Inspection: No well sign (Rule 19.15.16.8). NEED TO INSTALL WELL SIGN. 1ST NOTICE.

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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

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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.

SABER OIL & GAS VENTURES, LLC 400 W ILLINOIS SUITE 950 MIDLAND, TX 79701	EMNRD OIL CONSERVATION DIVISION 1625 N FRENCH DRIVE HOBBS NM 88240		015H14150977 U SO SO 08/21/14 Mailed From 88240
	• • • • •	400 VV ILLINOIS SUITE 950	