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 David Catanach, Director Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

22-Apr-15

FINLEY RESOURCES INC

1308 LAKE STREET #200 FT WORTH TX 76102

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

IDA WHITI Inspection					L-35-20S-36E *Significant	30-025-04404-00 Corrective	
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
04/22/2015	Routine/Periodic		Mark Whitaker	. Yes	No	5/29/2015	iMAW1511251456
	Violations Absent Well Ide	entification Signs (R	Rule 103)				
Comments	on Inspection:	No well sign (F	Rule 19.15.16.8). NEI	ED TO INST	TALL WELL SIGN.		
			Rule 19 and ea name sectio	9.15.16.8 S ach sign sh , well numb on, townsh	ign should be leg all show operator per, location by foo ip, range, and API	ible from 50' s name, property otage, unit letter number	

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 Of

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.

