

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

MCDONNOLD OPERATING INC
505 N BIG SPRING SU 204
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 DETAIL SECTION

L W WHITE NCT-B TR A No.004				N-35-20S-36E	30-025-04411-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
04/22/2015	Routine/Periodic	Mark Whitaker	Yes	No	5/29/2015	iMAW1511251076
	Violations					
	Surface Leaks/Spills					
Comments on Inspection:		Well idle. No power at location. No production reported in over 9 months. Tank on west side of location leaking oil. NEED TO EMPTY TANK AND REMOVE CONTAMINATED SOIL AND PROPERLY DISPOSE OF. 1ST NOTICE.				

APR 27 2015

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,

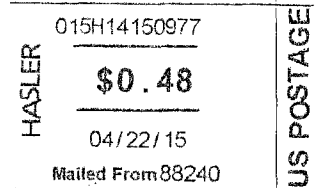
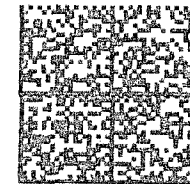

Compliance Officer

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



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SUITE 204
MIDLAND, TX 79701