State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin

Cabinet Secretary

David Catanach, Director Oil Conservation Division

Brett F. Woods, Ph.D. Deputy Cabinet Secretary

Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

25-Aug-15

MOMENTUM OPERATING CO INC 224 SOUTH MAIN PO BOX 2439 ALBANY TX 76430-2439

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

SKELLY D	STATE No.001			P-1-20S-36E	30-025-04148-00-	00
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/24/2015	Routine/Periodic	Mark Whitaker	Yes	No	9/25/2015	iMAW1523649336
	Violations					
	Absent Well Identification Signs	(Rule 103)				
Comments	on Inspection: Operator of a	record not on well sign	(Rule 19.15.	16.8). NEED TO COP	RRECT WELL SIGN.	
SKELLY D STATE No.005				I-1-20S-36E 30-025-33297-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/24/2015	Routine/Periodic	Mark Whitaker	Yes	No	9/25/2015	iMAW1523648797
	Violations					
	Absent Well Identification Signs (Rule 103)					
Comments	on Inspection: Operator of a	record not on well sign	(Rule 19.15.	16.8). NEED TO CO	RRECT WELL SIGN	

Rule 19.15.16.8 Sign should be legible from 50' and each sign shall show operator's name, property name, well number, location by footage, unit letter section, township, range, and API 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, Mach Whitele

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.

55 TOSTAGE

EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



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ALBANY, TX 76430-2439