

# State Of New Mexico

## Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham  
Governor  
Sarah Cottrell Propst  
Cabinet Secretary  
Todd E. Leahy, JD, PhD  
Deputy Cabinet Secretary

Adrienne Sandoval  
Division Director



**"Response Required - Deadline  
Enclosed"**

*Field Inspection Program  
"Preserving the Integrity of Our Environment"*

14-Aug-19

OWL SWD OPERATING, LLC  
8201 Preston Road  
Suite 520  
Dallas, TX 75225

**LETTER OF VIOLATION - Field Inspection**

Dear Operator:

The following inspection indicates that the well, equipment, location or operational status of the well 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 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***

[30-025-27684] TOPHAT AJQ STATE #001

OGRID: 308339

H-35-23S-33E 1980 FNL 660 FEL

<b>Inspection Date</b> 8/14/2019	<b>Type Inspection</b> Routine Inspection	<b>Inspector</b> [GR] Gary Robinson	<b>Corrective Action Due By</b> 11/12/2019	<b>Inspection No.</b> iGR1922648192
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**Violations:**

**Rule**

19.15.26 Injection

**Comment:**

FAILED BHT, RULE: 19.15.26.11, JOSE CONCEDED FAILURE, SAID PROD CSG AND TBG WERE EQUALIZED, WELL WAS SHUT IN.

19.15 Oil and Gas

**Comment:**

Auto Generated Violation - MIT Failure exits.

**Violation**

Detection of Deficient  
Mechanical Integrity

Mechanical Integrity Failure  
Recorded

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,

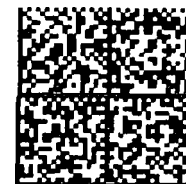
Hobbs OCD District Office

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

Oil Conservation Division \* 1625 N. French Drive \* Hobbs, NM 88240  
Phone: 575-393-6161 \* Fax: 575-393-0720 \* www.emnrd.state.nm.us

EMNRD  
OIL CONSERVATION DIVISION  
1625 N FRENCH DRIVE  
HOBBS NM 88240

OWL SWD OPERATING, LLC  
8201 PRESTON ROAD  
SUITE 520  
DALLAS, TX, 75225



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