EMNRD **US POSTAGE** NEOPOST **OIL CONSERVATION DIVISION** FIRST-CLASS MAIL **1625 N FRENCH DRIVE** \$000.50[°] **HOBBS NM 88240** 12/30/2019 ZIP 88240 042L14818194 **KEVIN O BUTLER& ASSOC. INC** 200 N LORAINE **SUITE 1515** MIDLAND, TX, 79701 CORRECTED ADDRESS MK 12-30-19

12/13/2019

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"

13-Dec-19

KEVIN O BUTLER & ASSOC INC	ł	LETTER OF VIOLATION - Field Inspection
500 W Texas	1	
Ste 955		

Ste 955 Midland, TX 79705

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

0-005-01161] SOU	TH CAPROCK QUEEN	NUNIT#015	OGRID: 12627	O-28-14S-31E 330 FSL 1980 FEL
Inspection Date 12/12/2019	Type Inspection Routine Inspection	Inspector [GR] Gary Robinson	Corrective Action Due By 3/11/2020	Inspection No. iGR1934744757
Violations:				
Rule				Violation
19.15.26 Injection				Detection of Deficient Mechanical Integrity
	o about 200psi, would no d failure. WELL WAS S		own truck and well started to loos	se PRES. John
19.15 Oil and Gas				Mechanical Integrity Failure Recorded
Comment:				
	iolation - MIT Failure ex	•		

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,

Edanson

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.am.us
