

**State Of New Mexico**  
**Energy, Minerals and Natural Resources Department**

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07-Aug-24

**OWL SWD OPERATING, LLC**

20 Greenway Plaza  
Suite 500  
Houston, TX 77046

**Pre Enforcement Notification**

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 Compliance Officer copied on this letter, 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*

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[30-025-31889] KIWI SWD #008

OGRID: 308339

F-16-22S-32E 1980 FNL 2310 FWL

<b>Inspection Date</b>	<b>Type Inspection</b>	<b>Inspector</b>	<b>Inspection No.</b>
8/7/2024	Routine Inspection	[GR] Gary Robinson	iGR2422032899
<b>Violation</b>	<b>Title</b>	<b>Corrective Action Due</b>	
cGR2422039655	19.15.26 Injection Detection of Deficient Mechanical Integrity <i>(operator reported FAILED BHT: prod csg and tbg were communicating. WELL IS TO BE SHUT IN ASAP.)</i>	11/5/2024	
cGR2422039656	19.15 Oil and Gas Mechanical Integrity Failure Recorded <i>(Auto Generated Violation - MIT Failure exits.)</i>	11/5/2024	

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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.

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

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