State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Tony DelfinActing Cabinet Secretary

David R. Catanach, Division Director

Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

31-Jan-17

WALSH & WATTS INC 1111 SEVENTH ST WICHITA FALLS TX 76301

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.

NORTH SQUARE LAKE PREMIER UNIT No.005				N-5-16S-31E	30-015-04809-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/31/2017	Routine/Periodic	Tony Morales	Yes	No	5/6/2017	iTM1703144395
	Violations					
	Absent Well Identification Sig	ns (Rule 103)				
Comments	on Inspection: OK. All E	quipment and Location ir	Good Shape	. LOCATION SIGN	NOT VISIBLE.	
NORTH SQUARE LAKE PREMIER UNIT No.012				J-6-16S-31E 30-015-04813-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
pate	1) Po Impression					-
01/31/2017	Routine/Periodic	Tony Morales	Yes	No	5/6/2017	iTM1703145660
	••	•	Yes	•	•	iTM1703145660
,	Routine/Periodic	•	Yes	•	•	iTM1703145660

INSPECTION DETAIL SECTION

NORTH SQUARE LAKE PREMIER UNIT No.013

J-6-16S-31E

30-015-04817-00-00

Inspection Date 01/31/2017

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

Routine/Periodic

Tony Morales

Yes

No

5/6/2017

iTM1703145978

Violations

Surface Damage/Restoration

Surface Leaks/Spills

Comments on Inspection:

OK. All Equipment and Location in Good Shape. PJ. STAINING AROUND WELL HEAD. 15'

X 15' SUCKER RODS ON LOCATION

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,

Artesia 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.