State Of New Mexico Energy, Minerals and Natural Resources Department

29-Oct-24

LOGOS OPERATING, LLC

Pre Enforcement Notification

2010 Afton Place Farmington, NM 87401

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

| [30-045-26970] PUMP CANYON SWD #001 | | | OGRID: 289408 | J-07-30N-08W 1725 FSL 1850 FEL | | |
|--|---------------------|----------------------------|----------------------|--------------------------------|--------------------------|--|
| Inspection Date Ty | | Type Inspection | Inspector | Inspection No. | Inspection No. | |
| 10/29/2024 | | Routine Inspection | [CZS] Clarence Smith | iCZS243033632 | iCZS2430336327 | |
| Violation | | | Title | | Corrective Action Due | |
| cCZS2430358369 19.15.17 Pits, Closed-Loop Systems, Below Grade Tanks and Sumps Noncompliance with Requirements (Construction, Operations or Closure) | | | | | 1/27/2025 | |
| (BGT has a hydrocarbon substance in it that needs to be removed.) | | | | | | |
| cCZS2430358370 19.15.29 Releases Surface Leaks/Spills | | | | | 1/27/2025 | |
| (Staining around oil and antifreeze tanks needs cleaned up.) | | | | | | |
| cCZS2430358371 19.15.16.18 Well and Lease Equipment Substandard Equipment and/or Needs Repair | | | | | 1/27/2025 | |
| | (Bird netting arour | d day tanks need to be | e fixed.) | | | |
| cCZS2430358372 19.15.17 Pits, Closed-Loop Systems, Below Grade Tanks and Sumps Noncompliance with Requirements (Construction, Operations or Closure) | | | | | 1/27/2025 | |
| | (Tank containmen | t is full of water needs t | to be pumped out.) | | | |

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.

Oil Conservation Division * 1000 Rio Brazos Road * Aztec, NM 87410 Phone: 505-476-3441 * Fax: 505-334-6170 * www.emnrd.nm.gov