

State Of New Mexico

Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

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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"*

28-Oct-20

CHI OPERATING INC

P.O. Box 1799

Midland, TX 79702

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

[30-015-34268] BERMUDA #001

OGRID: 4378

A-07-19S-26E 660 FNL 660 FEL

Inspection Date	Type Inspection	Inspector	Corrective Action Due By	Inspection No.
10/23/2020	Operator Updates	[CZH] Chad Hensley	1/21/2021	iCZH2029745162

Violations:

Rule

19.15.25.8 Wells to be Properly Abandoned

Comment:

WELL HAS EXCEEDED TA STATUS AND DOES NOT MEET PLUGGING REQUIREMENTS FOR ABANDONED WELL.

Violation

Noncompliance with Plugging Requirements

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,

Artesia OCD District Office

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

From: [Hensley, Chad, EMNRD](#)
To: ["pamc@chienergyinc.com"](mailto:pamc@chienergyinc.com)
Cc: ["andrewc@banshellc.com"](mailto:andrewc@banshellc.com); ["clifmann@hotmail.com"](mailto:clifmann@hotmail.com)
Subject: New Mexico EMNRD OCD Letter of Violation
Date: Wednesday, October 28, 2020 11:42:00 AM
Attachments: [3001534268_10-28-20_CHI_LOV.pdf](#)

Pam,

Good morning and I hope all is well and your family are weathering this COVID storm well.

I am writing you on the concerns of an idle well. Attached is a LOV for the well [30-015-34268] BERMUDA #001. If you have any questions feel free to contact my cell.

Chad Hensley
Artesia OCD
Cell: 575-703-1723
Office: 575-748-1283 x 112

