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"

12-Jan-21

CFM OIL, LLC P.O. Box 1176 Artesia, NM 88210 **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

[30-015-03957] ETZ FEDERAL #004

OGRID: 280554

H-31-16S-30E 1980 FNL 660 FEL

Inspection Date 9/22/2020

Type Inspection Routine Inspection

Inspector [CZH] Chad Hensley **Corrective Action Due By** 4/12/2021

Inspection No. iCZH2026643338

Violations:

Rule

Violation

19.15.16.10 Casing and Tubing Requirements Detection of Deficient Mechanical Integrity

Comment:

DISCHARGE LINE OF PJ CORRODED.

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.

Chad Henry Artesia OCD District Office

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

From: <u>Hensley, Chad, EMNRD</u>

To: "cfmoilcomp1176@hotmail.com"
Subject: NM OCD Letter Of Violation

 Date:
 Tuesday, January 12, 2021 9:52:00 AM

 Attachments:
 3001503957 1-12-21 CFM LOV.pdf

Good Morning,

Attached is the letter of violation for the well [30-015-03957] ETZ FEDERAL #004. If you have any questions feel free to contact me on my cell.

Chad Hensley Artesia OCD

Office: 575-748-1283 x 112

Cell: 575-703-1723

