State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary

Tony Delfin Deputy Cabinet Secretary David Catanach, Director Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

19-Jul-16

SANDLOTT ENERGY (JACKIE BREWER DBA) PO BOX 711 LOVINGTON NM 88260

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.

		INSPECT	ION DETAIL	SECTION		
WELCH D Inspection Date	UKE STATE N Type Inspection		Violation?	F-28-18S-28E *Significant Non-Compliance?	30-015-02080-00- Corrective Action Due By:	00 Inspection No.
07/19/2016	Routine/Peric Violations General Houseke	dic Tony Morale	s Yes	No	10/22/2016	iTM1620137343
Comments	on Inspection:	OK. All Equipment and Location OFF NO ELECTRICAL MOTO	•	PJ OLD TUBIN	G ON LOCATION PO	OWER
WELCH DUKE STATE No.018 Inspection Date Type Inspection			Violation?	C-28-18S-28E *Significant Non-Compliance?	30-015-06125-00- Corrective Action Due By:	00 Inspection No.
07/19/2016	Routine/Perio Violations General Houseke		s Yes	No	10/22/2016	iTM1620137639
Comments	on Inspection:	OK. All Equipment and Location LOCATION	n in Good Shape.	PJ OLD TUBING	G SUCKER RODS O	N

RESLER Y Inspection Date	ATES STATI Type Inspectio		Violation?	P-29-18S-28E *Significant Non-Compliance?	30-015-23393-00- Corrective Action Due By:	00 Inspection No.		
07/19/2016	Routine/Peri Violations Absent Well Ide	odic Tony Morales	Yes	No	10/22/2016	iTM1620140598		
Comments on Inspection:		OK. All Equipment and Location in Good Shape. PJ. LOCATION SIGN NOT VISIBLE. HOA OFF						

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.