State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin

Cabinet Secretary

Tony Pelfin

Deputy Cabinet Secretary

David Catanach, Director Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program

"Preserving the Integrity of Our Environment"

13-Oct-16

DWIGHT A TIPTON

PO BOX 1025

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	IUN	DETAIL	SECTION

MONA No.001 30-005-60762-00-00 N-7-10S-28E Corrective Inspection *Significant **Type Inspection** Inspector Violation? Inspection No. Date Non-Compliance? **Action Due By:** 10/13/2016 Routine/Periodic **Tony Morales** Yes No 1/16/2017 iTM1628740216 Violations Absent Well Identification Signs (Rule 103) **Comments on Inspection:** PJ TANK BATTERY NOT IN USE. OK. All Equipment and Location in Good Shape. LOCATION SIGN NOT VISIBLE J P WHITE A No.002 30-005-60985-00-00 C-19-10S-28E *Significant Inspection Corrective Type Inspection Inspector Violation? Non-Compliance? Inspection No. Date **Action Due By:** 1/16/2017 iTM1628743977 10/13/2016 Routine/Periodic **Tony Morales** Yes No Violations Surface Leaks/Spills General Housekeeping (Rule 114) Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELL HEAD. TANK BATTERY NO PLACARD/ WINDSOCK CONTAINMENT NEEDS REPAIR. DEBRIS ALL OVER LOCATION.

JP WHITE D No.009

E-20-10S-28E

30-005-62000-00-00

Inspection

Date 10/13/2016

Type Inspection Routine/Periodic Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

Tony Morales

Yes

No

1/16/2017

iTM1628733453

Violations

Surface Leaks/Spills

General Housekeeping (Rule 114)

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

TUBING SUCKER RODS ON LOCATION. UNMARKED 55 GALLON DRUM ON

LOCATION

J P WHITE D No.012

D-20-10S-28E

30-005-62231-00-00

Corrective

Inspection Date 10/13/2016

Type Inspection Routine/Periodic Inspector Tony Morales Violation? Yes

*Significant Non-Compliance?

Action Due By: 1/16/2017

Inspection No. iTM1628734472

Violations

Surface Leaks/Spills

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape. PJO STAINING AROUND WELL HEAD

FRESH OIL CONTAMINATED MATERIAL NEXT TO WELL HEAD.

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.