

State Of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor
Sarah Cottrell Propst
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Deputy Cabinet Secretary

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Division Director



"Response Required - Deadline Enclosed"

*Field Inspection Program
"Preserving the Integrity of Our Environment"*

14-Feb-20

Spur Energy Partners LLC
920 Memorial City Way
Suite 1000
Houston, TX 77024

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

[30-015-34316] RED LAKE 32 STATE G #001	OGRID: 328947	G-32-17S-27E 1750 FNL 1650 FEL
Inspection Date 1/31/2020	Type Inspection Routine Inspection	Inspector [DRS] Danny Smolik
Corrective Action Due By 4/30/2020		Inspection No. iDRS203121898

Violations:

Rule	Violation
19.15.14 Drilling Permits	Noncompliance with Rule Requirements

Comment:
Last reported production 8/17

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.

Oil Conservation Division * 811 S. First St. * Artesia, NM 88210
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