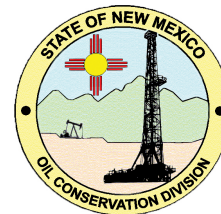


State Of New Mexico

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"*

20-Jul-20

POCO Resources LLC
3307 E Castleberry Road
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

[30-015-01906] ADKINS WILLIAMS STATE #006

OGRID: 373121

O-17-18S-28E 1180 FSL 1595 FEL

Inspection Date	Type Inspection	Inspector	Corrective Action Due By	Inspection No.
7/15/2020	Routine Inspection	[GC] Gilbert Cordero	10/13/2020	iGC2019733822

Violations:

Rule

19.15.16.8 Sign on Wells

Comment:

LOCATION SIGN NOT VISIBLE. MUST HAVE SIGN ON LOCATION

Violation

Absent Well Identification Sign

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,

Staff Manager

Artesia OCD District Office

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

From: [Cordero, Gilbert, EMNRD](#)
To: adam@pocores.com
Subject: LOV
Date: Monday, July 20, 2020 10:26:00 AM
Attachments: [3001524489_POCO_7_15_2020.pdf](#)
[3001510525_POCO_7_15_2020.pdf](#)
[3001510452_POCO_7_15_2020.pdf](#)
[3001501920_POCO_7_15_2020.pdf](#)
[3001501916_POCO_7_15_2020.pdf](#)
[3001501912_POCO_7_15_2020.pdf](#)
[3001501909_POCO_7_15_2020.pdf](#)
[3001501906_POCO_7_15_2020.pdf](#)

Good morning Mr. Olguin,

Attached please find a Letter of Violation (LOV) for the following wells. If you have any questions please contact me.

30-015-01906 Adkins Williams State 006
30-015-01919 Welch State 002
30-015-01912 Welch State 005
30-015-01916 Adkins Williams State 002
30-015-01920 Adkins Williams State 002Y
30-015-10452 Welch State 004
30-015-10525 Welch State 003Y
30-015-24489 Gilmore State 002

Thank you,

Gilbert Cordero
Staff Manager
NMOCD NM South
Office 575.748.1283 ext.114
Cell 575.626.0830