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

SELLERS&FULTON OIL LLC

422 W Main Suite 5 P.O. Box 1176 Artesia, NM 88210

Dear Operator:

LETTER OF VIOLATION - Field Inspection

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

[30-015-24578] ELK STATE #002

OGRID: 371978

N-16-18S-28E 760 FSL 1650 FWL

Inspection Date

Type Inspection

Inspector

Corrective Action Due By

Inspection No.

7/6/2020 **Routine Inspection** [GC] Gilbert Cordero

10/4/2020

iGC2018845190

Violations:

Rule

19.15.16.8 Sign on Wells

Comment:

WELL SIGN MUST BE LEGIBLE

19.15.25.8 Wells to be Properly Abandoned

Violation

Illegible or Unreadable

LAST REPORTED PRODUCTION 1/1/2019. WELL MUST BE PUT BACK ON PRODUCTION, PLUGGED AND ABANDONED OR TEMPORARILY ABANDONED

Noncompliance with Plugging Requirements

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

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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 Phone: 575-748-1283 * Fax: 575-748-9720 * www.emnrd.state.nm.us

From: <u>Cordero, Gilbert, EMNRD</u>
To: <u>"ChadFulton@sandfoil.com"</u>

Subject: LOV

Date: Monday, July 20, 2020 9:34:00 AM

Attachments: 3001524578 SELLERS&FULTON 7 06 2020.pdf

Good morning Mr. Fulton,

Attached please find a Letter of Violation (LOV) for the Elk State 002, API 30-015-24578. If you have any questions please contact me.

Thank you,

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