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"

30-Jun-16

PRIMERO OPERATING INC

PO BOX 1433 ROSWELL NM 88202

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.

		INSPECTIO	N DETAII	SECTION		
FORD FEDERAL No.001 Inspection Date Type Inspection		Inspector	Violation?	E-20-16S-31E *Significant Non-Compliance?	30-015-35086-00-0 Corrective Action Due By:	00 Inspection No.
06/30/2016	Routine/Periodic Violations Absent Well Identifica General Housekeeping	Tony Morales	Yes	No	10/3/2016	iTM1618244640
Comments	WE	PJ STAINING AROUND WE LL HEAD. UNMARKED 55 G X 10' LOCATION SIGN NOT	ALLON DRU			
FORD FED	ERAL No.003			C-20-16S-31E	30-015-36083-00-	
FORD FED Inspection Date	PERAL No.003 Type Inspection	Inspector	Violation?	C-20-16S-31E *Significant Non-Compliance?	30-015-36083-00- Corrective Action Due By:	00 Inspection No.
Inspection	Type Inspection Routine/Periodic Violations Absent Well Identific:	Tony Morales ation Signs (Rule 103)	Violation? Yes			
Inspection Date	Type Inspection Routine/Periodic Violations	Tony Morales ation Signs (Rule 103)		*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.

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 Distri 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.