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"

05-Jul-16

ALAMO PERMIAN RESOURCES, LLC

415 W. WALL STREET, SUITE 500 MIDLAND TX 79701

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 DETAIL	SECTION		
SMITH ST. Inspection Date	ATE No.001 Type Inspection		Inspector	Violation?	A-4-18S-28E *Significant Non-Compliance?	30-015-02556-00-0 Corrective Action Due By:)0 Inspection No.
07/05/2016	Routine/Period Violations General Housekee		Tony Morales	Yes	No	10/8/2016	iTM1618741585
			ent and Location in RIES NO CONTAIL			ROUND WELL HEA	
SOLT STA Inspection Date	TE No.002 Type Inspection		Inspector	Violation?	P-5-18S-28E *Significant Non-Compliance?	30-015-25278-00-0 Corrective Action Due By:)() Inspection No.
07/05/2016	Routine/Period Violations		Tony Morales	Yes	No	10/8/2016	iTM1618750035
	General Housekee	omg (Rule 114)					

SOLT STAT	ΓΕ No.003				O-5-18S-28E *Significant	30-015-25390-00-0 Corrective	0
Date	Type Inspection	L	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
07/05/2016	Routine/Perio Violations General Houseke	dic eping (Rule 114)	Tony Morales	Yes	No	10/8/2016	iTM1618750503
Comments of	on Inspection:	OK. All Equip: TO WELL HE	ment and Location ir AD	1 Good Shape	. PJ CONTAMIN	ATED MATERIAL NI	EXT
FEATHERS Inspection Date	STONE STAT Type Inspection		Inspector	Violation?	K-2-18S-28E *Significant Non-Compliance?	30-015-39591-00-0 Corrective Action Due By:	() Inspection No.
07/05/2016	Routine/Perio Violations General Houseke	dic eping (Rule 114)	Tony Morales	Yes	No	10/8/2016	iTM1618730467
Comments	on Inspection:		ment and Location ir TED MATERIAL C			ROUND WELL HEAD	D
FEATHERS Inspection Date	STONE STAT Type Inspection		Inspector	Violation?	F-2-18S-28E *Significant Non-Compliance?	30-015-39592-00-0 Corrective Action Due By:	0 Inspection No.
07/05/2016	Routine/Peric Violations General Houseke	dic eping (Rule 114)	Tony Morales	Yes	No	10/8/2016	iTM1618732900
Comments o	on Inspection:	OK. All Equip			. PJ. STAINING AR CKER ROD ON LOO	OUND 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.