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"

12-Jul-16

HARLOW ENTERPRISES LLC

#26 CHALK BLUFF RD. ARTESIA NM 88210

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		
ADKINS STATE No.001 Inspection Date Type Inspection		Inspector	Violation?	F-17-18S-28E *Significant Non-Compliance?	30-015-01893-00-(Corrective Action Due By:) Inspection No.	
07/12/2016	Routine/Perio Violations General Houseke		Tony Morales	Yes	No	10/15/2016	iTM1619438856
Comments	on Inspection:	OK. All Equip ON LOCATIO	ment and Location ir	1 Good Shape.	PJ. OLD SUCKE	R RODS AND TUBI	١G
TAHELINE Inspection Date	BAK No.001 Type Inspection		Inspector	Violation?	P-17-18S-28E *Significant Non-Compliance?	30-015-24459-00-0 Corrective Action Due By:)() Inspection No.
07/12/2016	Routine/Perio Violations Absent Well Iden Fire Walls and D General Houseke	lification Signs (I kes	Tony Morales Rule 103)	Yes	No	10/15/2016	iTM1619436862
Comments	on Inspection:				PJ, TANK BATTER WELL AND SEPAR	RY, NO CONTAINME ATOR TANK ON	NT.

TAHELITD Inspection Date	DID No.001 Type Inspection	Inspector	Violation?	I-17-18S-28E *Significant Non-Compliance?	30-015-24490-00- Corrective Action Due By:	00 Inspection No.	
07/12/2016	Routine/Periodic Violations Fire Walls and Dikes	Tony Morales	Yes	No	10/15/2016	iTM1619437134	
Comments	on Inspection: OK. All E	Equipment and Location in	Good Shape	. PJ. TANK BATTE	RY NO CONTAINM	ENT.	
TEXACO S	TATE No.001			M-16-18S-28E	E 30-015-24656-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.	
07/12/2016	Routine/Periodic	Tony Morales	Yes	No	10/15/2016	iTM1619436409	
	Violations						
	Fire Walls and Dikes						
	General Housekeeping (Rule	114)					
Comments		Equipment and Location in ATTERY NO CONTAINE			AROUND WELL HE	AD.	
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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,

SQN 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.