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"

20-Jul-16

SANDLOTT ENERGY (JACKIE BREWER DBA)

PO BOX 711

LOVINGTON NM 88260

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.

INCDECTION DETAIL SECTION

			INSPECTIO	N DETAIL	SECTION		
RESLER YATES STATE No.061 Inspection Date Type Inspection		Inspector	Violation?	C-32-18S-28E *Significant Non-Compliance?	30-015-02146-00- Corrective Action Due By:	00 Inspection No.	
07/20/2016 Routine/Periodic Tony Morales Violations Absent Well Identification Signs (Rule 103) General Housekeeping (Rule 114)			*	Yes	No	10/23/2016	iTM1620235849
Comments on Inspection: OK. All Equipment and Location in Good Sh OLD TUBING AND PJ ON LOCATION.				PJ. STAINING A	ROUND LOCATION	I.	
RESLER VATES STATE No 355				A-32-18S-28E	30-015-02148-00-0	าก	

RESLER YATES STATE No.355				A-32-18S-28E	30-015-02148-00-00				
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.			
07/20/2016	Routine/Periodic	Tony Morales	Yes	No	10/23/2016	iTM1620238896			
	Violations								
	Absent Well Identification Signs (Rule 103)								

Comments on Inspection: OK. All Equipment and Location in Good Shape. LOCATION SIGN NOT VISIBLE

RESLER YATES STATE No.055 B-32-18S-28E 30-015-02152-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 07/20/2016 Routine/Periodic Tony Morales Yes No 10/23/2016 iTM1620238697 **Violations** Absent Well Identification Signs (Rule 103) Comments on Inspection: OK. All Equipment and Location in Good Shape. LOCATION SIGN NOT VISIBLE, **RESLER YATES STATE No.368** G-32-18S-28E 30-015-10286-00-00 Inspection *Significant Corrective Type Inspection Inspection No. Date Inspector Violation? Non-Compliance? Action Due By: 07/20/2016 Routine/Periodic Tony Morales Yes No 10/23/2016 iTM1620237201 Violations Absent Well Identification Signs (Rule 103) Comments on Inspection: OK. All Equipment and Location in Good Shape. LOCATION SIGN NOT VISIBLE. RESLER YATES STATE No.370 H-32-18S-28E 30-015-20094-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 07/20/2016 Routine/Periodic iTM1620238432 **Tony Morales** Yes No 10/23/2016 Violations Absent Well Identification Signs (Rule 103) General Housekeeping (Rule 114) Comments on Inspection: OK. All Equipment and Location in Good Shape, PJ. LOCATION SIGN NOT MOUNTED. OLD PJ. ON LOCATION, OLD TUBING AND POLYPIPE ON LOCATION. ELECTRICAL CABLE RUNNING THROUGH LOCATION **RESLER YATES STATE No.379** G-32-18S-28E 30-015-20115-00-00 Inspection *Significant Corrective Inspection No. Type Inspection Violation? Inspector Date Non-Compliance? Action Due By: 07/20/2016 No iTM1620237509 Routine/Periodic **Tony Morales** Yes 10/23/2016 Violations Absent Well Identification Signs (Rule 103) General Housekeeping (Rule 114) Comments on Inspection: OK. All Equipment and Location in Good Shape. LOCATION SIGN NOT VISIBLE OLD **TUBING ON LOCATION** 30-015-20123-00-00 **RESLER YATES STATE No.376** F-32-18S-28E Inspection *Significant Corrective Inspection No. Date Type Inspection Inspector Violation? Non-Compliance? Action Due By: iTM1620236828 07/20/2016 Routine/Periodic Tony Morales Yes No 10/23/2016 **Violations**

Absent Well Identification Signs (Rule 103)

General Housekeeping (Rule 114)

Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ. LOCATION SIGN NOT MOUNTED. OLD PJ, SUCKER RODS, TUBING ON LOCATION. STAINING AROUND WELL HEAD

B-32-18S-28E **RESLER YATES STATE No.353** 30-015-22141-00-00 Inspection *Significant Corrective Violation? Inspection No. Date Type Inspection Inspector Non-Compliance? Action Due By: No iTM1620235390 07/20/2016 Routine/Periodic **Tony Morales** Yes 10/23/2016 **Violations**

General Housekeeping (Rule 114)

Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ. STAINING AROUND WELL HEAD.

OLD PJ AND OLD TUBING ON LOCATION. POWER OFF

Oil Conservation Division * 811 S. First St. * Artesia, New Mexico 88210 Phone: 575-748-1283 * Fax: 575-748-9720 * http://www.emnrd.state.nm.us **RESLER YATES STATE No.382**

F-32-18S-28E

30-015-26366-00-00

Inspection

Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance? Corrective Action Due By:

Inspection No.

07/20/2016 Routine/Periodic

Tony Morales

Yes

No

10/23/2016

iTM1620236570

Violations

Absent Well Identification Signs (Rule 103)

Comments on Inspection:

OK. All Equipment and Location in Good Shape. PJ. LOCATION SIGN NOT VISIBLE.

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.