## State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary

Tony Delfin Deputy Cabinet Secretary <u>....</u>

David Catanach, Director Oil Conservation Division



## \*Response Required - Deadline Enclosed\*

Field Inspection Program "Preserving the Integrity of Our Environment"

22-Jul-16

**TANDEM ENERGY CORPORATION**2700 POST OAK BLVDSUITE 1000HOUSTON TX 77056

**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	L SECTION		
BALLARD Inspection	GRAYBURG SAN ANDRE	-		C-5-18S-29E *Significant	30-015-03295-00-00 Corrective	-
Date	Type Inspection	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
07/22/2016	Routine/Periodic	Tony Morales	Yes	No	10/25/2016	iTM1620437944
	Violations					
	General Housekeeping (Rule 114)					
Comments	on Inspection: OK. All Equip	nent and Location in	Good Shape	. PJ, STAINING ARC	OUND WELL HEAD	
	• \bullet \bullet \bullet = \bullet \bullet\bullet \bullet \bullet\bullet \bullet \bullet \bullet\bullet \bullet					
	GRAYBURG SAN ANDRE		Violation?	M-5-18S-29E *Significant Non-Compliance?	30-015-03303-00-00 Corrective Action Due By:	) Inspection No.
BALLARD Inspection Date	GRAYBURG SAN ANDRE	S UNIT No.001B		M-5-18S-29E *Significant	<b>30-015-03303-00-00</b> Corrective Action Due By:	
BALLARD Inspection	GRAYBURG SAN ANDRE	S UNIT No.001B	Violation?	M-5-18S-29E *Significant Non-Compliance?	<b>30-015-03303-00-00</b> Corrective Action Due By:	Inspection No.
BALLARD Inspection Date	GRAYBURG SAN ANDRE Type Inspection Routine/Periodic	S UNIT No.001B	Violation?	M-5-18S-29E *Significant Non-Compliance?	<b>30-015-03303-00-00</b> Corrective Action Due By:	Inspection No.

Inspection	Type Inspection		Inspector	Violation?	*Significant	Corrective	Inspection No.
Date 07/22/2016	Routine/Perio		-	violation? Yes	Non-Compliance? No	Action Due By: 10/25/2016	iTM162043874
0112212010	Violations		Tony Morales	105	NO	10/25/2010	1111102045874
C	General Houseke	-		a 10			
· · ·	on Inspection:			···· · · · · · · · · · · · · · · · · ·	e. PJ. STAINING AR	OUND WELL HEAD	·
BALLARD Inspection	GRAYBURG	SAN ANDRE	S UNIT No.002C		N-5-18S-29E *Significant	30-015-03306-00- Corrective	00
Date	Type Inspection	ì	Inspector	Violation?	Non-Compliance?		Inspection No.
07/22/2016	Routine/Perio Violations	dic	Tony Morales	Yes	No	10/25/2016	iTM162043547
_	General Houseke						
Comments of	on Inspection:	OK. All Equip	nent and Location in	1 Good Shape	e. PJ. STAINING AF	OUND WELL HEAD	)
	GRAYBURG	SAN ANDRE	S UNIT No.004B		J-5-18S-29E	30-015-20975-00-	00
Inspection Date	Type Inspection	I	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/22/2016	Routine/Perio	dic	Tony Morales	Yes	No	10/25/2016	iTM1620439439
	Violations Absent Woll Iden:	tification Signs (R	ula 103)				
Comments o	on Inspection:	<b>U</b> .	·	n Good Shape	LOCATION SIGN	NOT VISIBLE	
	-		S UNIT No.006A	<b>F</b>	C-5-18S-29E	30-015-24117-00-	
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	inspection No.
						10/05/0010	TM1620427742
07/22/2016	Routine/Period	dic	Tony Morales	Yes	No	10/25/2016	TTW1020457742
07/22/2016	Violations		Tony Morales	Yes	No	10/25/2016	111011020437742
	Violations General Housekee	ping (Rule 114)	-				
Comments o	Violations General Housekee on Inspection:	eping (Rule 114) OK. All Equipr	-		. PJO, STAINING AF	ROUND WELL HEAT	).
Comments o TRAVIS E H	Violations General Housekee	eping (Rule 114) OK. All Equipr	-		. PJO, STAINING AF K-6-18S-29E	ROUND WELL HEAT 30-015-24486-00-0	).
Comments o	Violations General Housekee on Inspection:	eping (Rule 114) OK. All Equipr	-		. PJO, STAINING AF	ROUND WELL HEAT	).
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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, Artesia QCD 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.