State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin

Cabinet Secretary

David Catanach. Director

Oil Conservation Division



Tony Delfin

Deputy Cabinet Secretary

Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

29-Aug-16

READ & STEVENS INC

P. O. Box 1518

Roswell NM 88202-8202

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.

BUFFALO VALLEY No.002 Inspection Date Type Inspection		Inspector	Violation?	J-2-15S-27E *Significant Non-Compliance?	30-005-60037-00- Corrective Action Due By:	Inspection No.	
08/29/2016	16 Routine/Periodic Violations Absent Well Identification Signs (F		Tony Morales (Rule 103)	Yes	No	12/2/2016	iTM1624246896
Comments	on Inspection:		ipment and Location in NO SECONDARY IMI				К
TROBOUGH COM No.001 Inspection Date Type Inspection			Inspector	Violation?	J-1-15S-27E *Significant Non-Compliance?	30-005-60104-00-6 Corrective Action Due By:	Inspection No.
08/29/2016	Routine/Periodic Violations Absent Well Identification Signs (Re		Tony Morales (Buts 103)	Yes	No	12/2/2016	iTM1624245491
Comments	n Inspection:	OK. All Equ	ipment and Location in SO SECONDARY IMF			NOT VISIBLE. TAN	K

INSPECTION DETAIL SECTION

PIATT STATE COM No.001

D-18-15S-28E

30-005-60160-00-00

Inspection Date 08/29/2016

Type Inspection

Inspector

Violation?

*Significant Non-Compliance? Corrective
Action Due By:

Inspection No.

372.0.42

Routine/Periodic

Tony Morales

Yes

No

12/2/2016

iTM1624243815

Violations

Absent Well Identification Signs (Rule 103)

Comments on Inspection:

OK. All Equipment and Location in Good Shape. TANK BATTERY NO SECONDARY

IMPERMIABLE CONTAINMENT 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.