Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin

Cabinet Secretary

Tony Delfin

Deputy Cabinet Secretary

Pavid Catanach, Director Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

11-Oct-16

DWIGHT A TIPTON

PO BOX 1025

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.

| MABEL No | .002 | | | H-30-10S-28E | 30-005-60736-00- | 00 |
|---------------------------|---|--------------------------------------|------------|---|--|-------------------|
| Inspection Date | Type Inspection | Inspector | Violation? | *Significant Non-Compliance? | Corrective Action Due By: | Inspection No. |
| 10/11/2016 | Routine/Periodic | Tony Morales | Yes | No | 1/14/2017 | iTM1628534748 |
| | Violations | | | | | |
| | Surface Leaks/Spills | | | | | |
| G | | | | · · | | |
| Comments | on Inspection: OK. All I | Equipment and Location in | Goo OLD T | UBING SUCKER RO | ODS ON LOCATION | |
| PLAINS 29 | | Equipment and Location in | Goo OLD T | E-29-10S-28E | 30-005-61385-00- | |
| .,, | | Equipment and Location in Inspector | Violation? | • | | |
| PLAINS 29 Inspection | No.002 | | | E-29-10S-28E *Significant | 30-005-61385-00- Corrective | 00 |
| PLAINS 29 Inspection Date | No.002 Type Inspection | Inspector | Violation? | E-29-10S-28E *Significant Non-Compliance? | 30-005-61385-00- Corrective Action Due By: | 00 Inspection No. |
| PLAINS 29 Inspection Date | No.002 Type Inspection Routine/Periodic | Inspector | Violation? | E-29-10S-28E *Significant Non-Compliance? | 30-005-61385-00- Corrective Action Due By: | 00 Inspection No. |

MABEL No.006

H-30-10S-28E

30-005-61909-00-00

Inspection Date

10/11/2016

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

Tony Morales

Yes

No 1/14/2017 iTM1628534456

Violations

Absent Well Identification Signs (Rule 103)

Surface Leaks/Spills

Routine/Periodic

Comments on Inspection:

OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELLHEAD

LOCATION SIGN NOT LEGIBLE OLD TUBING ON LOCATION.

PLAINS 29 No.005

Date

Inspection

Type Inspection

Inspector

Tony Morales

Violation? Yes

E-29-10S-28E *Significant Non-Compliance? No

30-005-61998-00-00 Corrective Action Due By: 1/14/2017

Inspection No. iTM1628534157

Routine/Periodic 10/11/2016

Violations Absent Well Identification Signs (Rule 103)

Surface Leaks/Spills

Comments on Inspection:

OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELLHEAD

LOCATION SIGN NOT VISIBLE. QLD SUCKER RODS ON LOCATION.

PLAINS 29 No.007

Inspection

Date

Type Inspection

Inspector

Violation?

E-29-10S-28E *Significant Non-Compliance?

30-005-62128-00-00 Corrective **Action Due By:**

Inspection No.

10/11/2016 Routine/Periodic Tony Morales

Yes

No

1/14/2017

iTM1628533604

Violations

Surface Leaks/Spills Comments on Inspection:

OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELLHEAD

LOCATION SIGN DOWN. TANK BATTERY NO PLACARD/ WINDSOCK NO

SECONDARY IMPERMEABLE CONTAINMENT-BERM

PLAINS 29 No.008

10/11/2016

Inspection **Type Inspection** Date

Routine/Periodic

Inspector Tony Morales Violation? Yes

*Significant Non-Compliance? No

L-29-10S-28E

30-005-62624-00-00 Corrective

Action Due By:

1/14/2017

Inspection No. iTM1628533346

Violations

Surface Leaks/Spills

Comments on Inspection:

OK. All Equipment and Location in Good Shape. PJ POWER OFF STAINING AROUND

WELLHEAD.

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.