State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Tony Delfin Acting Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

19-Jan-17

NORDSTRAND ENGINEERING INC 3229 D'AMICO STREET, SUITE 200

HOUSTON TX 77019

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.

INSPECTION DETAIL SECTION

WEST HEN Inspection	SHAW PREM	ER UNIT No.003B		B-3-16S-30E *Significant	30-015-03836-00-00 Corrective	
Date	Type Inspection	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
01/19/2017	Routine/Period Violations General Housekeep		Yes	No	4/24/2017	iTM1701947540
Comments		K. All Equipment and Location ir FAINING AROUND WELL HEA	-	. PJ. OLD TUBING	ON LOCATION	
WEST HEN	SHAW PREM	ER UNIT No.001B		H-3-16S-30E	30-015-03837-00-	00
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/19/2017	Routine/Period Violations	c Tony Morales	Yes	No	4/24/2017	iTM1701947861
	Absent Well Ident	cation Signs (Rule 103)				
Comments		K. All Equipment and Location in RODUCING?	Good Shape.	LOCATION SIGN N	NOT VISIBLE. OIL	

	ISHAW PREN	AIER UNIT No	.003X		D-3-16S-30E	30-015-03842-00-0)()
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/19/2017		ntification Signs (Ri eeping (Rule 114)	Tony Morales ule 103)	Yes	No	4/24/2017	iTM1701946306
Comments	on Inspection:				PJ. LOCATION SI BING ON LOCATIO		
	SHAW PREN	AIER UNIT No	.010		P-3-16S-30E	30-015-03847-00-0)0
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/19/2017	Routine/Perio Violations Absent Well Iden	odic ntification Signs (Ri	Tony Morales	Yes	No	4/24/2017	iTM1701949151
Comments	on Inspection:	OK. All Equipm	ent and Location in	Good Shape	. PJ. LOCATION SI	GN NOT VISIBLE.	
WEST HEN	SHAW PREN	AIER UNIT NO	.002L		G-4-16S-30E	30-015-03854-00-0)0
Inspection Date	Type Inspectio	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/19/2017	Routine/Perio	odic	Tony Morales	Yes	No	4/24/2017	iTM1701945655
		ntification Signs (R	ıle 103)				
Comments	Absent Well Ide	eeping (Rule 114) OK. All Equipn	,		. PJ. LOCATION SI	GN NOT VISIBLE.	
	Absent Well Ide General Houseko on Inspection:	eeping (Rule 114) OK. All Equipn	ent and Location ir OUND WELL HEA		. PJ. LOCATION SI T-2-16S-30E	GN NOT VISIBLE.)0
	Absent Well Ide General Houseko on Inspection:	eeping (Rule 114) OK. All Equipn STAINING AR	ent and Location ir OUND WELL HEA)0 Inspection No.
WEST HEN Inspection	Absent Well Ide General Houseko on Inspection: NSHAW PREM Type Inspectio Routine/Perio Violations	eeping (Rule 114) OK. All Equipn STAINING AR MIER UNIT No	nent and Location ir OUND WELL HEA 0.003A Inspector Tony Morales	1D.	T-2-16S-30E *Significant	30-015-27273-00-0 Corrective	

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, 105 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.