State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary **David Catanach** Division Director



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

23-May-17

SEELY OIL CO 815 W 10TH ST FORT WORTH TX 76102

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			
ARCO FEDERAL No.001 Inspection Date Type Inspection			Inspector	Violation?	H-9-17S-30E *Significant Non-Compliance?	30-015-20851-00- Corrective Action Due By:	00 J Inspection No.	
05/23/2017		odic ntification Signs (eeping (Rule 114)	Tony Morales Rule 103)	Yes	No	8/26/2017	iTM1714347407	
Comments on Inspection:		Idle Well (Rule 201) ??? PJ. NO LOCATION SIGN. HOA OFF OLD SUCKER RODS TUBING ON LOCATION. TANK BATTERIES NO SECONDARY IMPERMEABLE CONTAINMENT NO WINDSOCK / PLACARDS STAINING RULES 19.15.16.8 / 19.15.35.7B						

ARCO FEDERAL No.004					F-9-17S-30E	30-015-21276-00-00			
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.		
05/23/2017	Routine/Periodic Violations Absent Well Identification Signs (R		Tony Morales Rule 103)	Yes	No	8/26/2017	iTM1714348801		
			oment and Location in LE 19.15.16.8	1 Good Shape	. PJ. POWER OFF.	LOCATION SIGN N	ОТ		
ARCO FEDERAL No.005					C-9-17S-30E	30-015-21436-00-00			
Inspection Date	Type Inspection	1	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.		
05/23/2017	Routine/Peric Violations Absent Well Idea	odic ntification Signs (Tony Morales Rule 103)	Yes	No	8/26/2017	iTM1714345573		
Comments	on Inspection:	OK. All Equij 19.15.35.7B	pment and Location in	n Good Shape	. PJ LOCATION SIG	GN NOT VISIBLE ru	le		
ARCO FEDERAL No.006 Inspection				*** 1 // 0	B-9-17S-30E *Significant	30-015-21437-00- Corrective			
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.		
05/23/2017	Routine/Periodic Violations General Housekeeping (Rule 114)		Tony Morales	Yes	No	8/26/2017	iTM1714346215		
Comments on Inspection:		OK. All Equipment and Location in Good Shape. PJ OLD POWER BOXES / SUCKER RODS / DEBRIS ON LOCATION RULE 19.15.35.7B							

1

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,

oral 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.