State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueenCabinet Secretary

David CatanachDivision Director



Matthias Sayer

Deputy Cabinet Secretary

Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

10-Oct-17

CFM OIL, LLC PO BOX 1176 ARTESIA NM 88210-8210

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 DETAIL	SECTION		
ANGELL STATE No.001 Inspection Date Type Inspection		ı	Inspector	Violation?	P-21-19S-28E *Significant Non-Compliance?	30-015-02277-00- Corrective Action Due By:	00 Inspection No.
10/10/2017	Routine/Perio Violations Absent Well Ider	dic tification Signs (Ru	Tony Morales	Yes	No	1/13/2018	iTM1728345361
Comments	on Inspection:		ent and Location ir	n Good Shape	. PJ LOCATION S	SIGN NOT VISIBLE	
ANGELL STATE No.004 Inspection Date Type Inspection			Inspector	Violation?	P-21-19S-28E *Significant Non-Compliance?	30-015-23745-00- Corrective Action Due By:	00 Inspection No.
10/10/2017	Routine/Perio Violations General Houseke		Tony Morales	Yes	No	1/13/2018	iTM1728346113
Comments on Inspection: OK. A		OK. All Equime	ll Equiment and Location in Good Shape. PJ ON LOCATION 19.15.10.8		PJ. STAINING AROUND WELL HEAD.		

MONSANTO STATE No.001

O-21-19S-28E

30-015-24252-00-00

Inspection

Type Inspection Date

Inspector

*Significant Violation? Non-Compliance?

Corrective **Action Due By:**

Inspection No.

10/10/2017

Routine/Periodic

Tony Morales

Yes

No

1/13/2018

iTM1728342149

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape. PJO TANK BATTERIES SECONDARY IMPERMEABLE CONTAINMENT - BERM NEEDS TO BE COMPLETED. NO WINDSOCK

OLD TANK BATTERIES - DEBRIS ON LOCATION 19.15.10.8

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.