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"

30-Oct-17

COLGATE OPERATING, LLC

306 W. Wall Street Suite 500 Midland TX 79701-9701

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		
PARKWAY Inspection Date	DELAWARE Type Inspection		Inspector	Violation?	J-35-19S-29E *Significant Non-Compliance?	30-015-25960-00-0 Corrective Action Due By:)0 Inspection No.
10/30/2017	Routine/Period Violations General Housekee		Tony Morales	Yes	No	2/2/2018	iTM1730334462
Comments	on Inspection:	AND LOCATIO	ent and Location in N / LEASE ROAD IES NO WINDSO	CONTAMIN	NATED MATERIAL	G AROUND WELL H NEAR TANK BATTE	
PARKWAY Inspection Date	DELAWARE Type Inspection		Inspector	Violation?	O-35-19S-29E *Significant Non-Compliance?	30-015-26007-00-0 Corrective Action Due By:)0 Inspection No.
10/30/2017	Routine/Perioe Violations General Housekee		Tony Morales	Yes	No	2/2/2018	iTM1730345190
Comments			ent and Location ir 0.8	Good Shape	. PJO. STAININ	G AROUND WELL	

Comments	on Inspection:		ment and Leation in FLARE OK 19.15.		PJO. STAINING	G AROUND WELL HI	EAD+
	Violations		·				
10/30/2017	Routine/Perio		Tony Morales	Yes	No	2/2/2018	iTM173034103
Inspection Date	Type Inspectio		Inspector	Violation?	*Significant Non-Compliance?	Corrective	Inspection No.
PARKWAY	35 FEDERA	······································	INED AREA APPR	UX 10' X 65'	19.15.10.8 L-35-198-29E	30-015-40734-00-0)0
Comments of	General Housekon Inspection:		ment and Location ir			G AROUND WELL	
	Violations		-				
10/30/2017	Routine/Perio		Tony Morales	Yes	No	2/2/2018	iTM173034131
PARKWAY Inspection Date	35 FEDERA Type Inspectio)4H Inspector	Violation?	M-35-19S-29E *Significant Non-Compliance?	30-015-39839-00-(Corrective Action Due By:	IU Inspection No.
	n Inspection:	19.15.10.8	ment and Location in			G AROUND WELL H	
Commente		cping (Rule 114)	ment and I and a set	Good Shar-			EAD
1013014011	Violations		rony morates	1 00		21212010	
Date 10/30/2017	Type Inspection Routine/Peric		Inspector Tony Morales	Violation? Yes	Non-Compliance? No	Action Due By: 2/2/2018	Inspection No. iTM173034038
Inspection	DELAWARI				K-35-19S-29E *Significant	30-015-34407-00-0 Corrective	
Comments o	n Inspection:	OK. All Equip 19.15.10.8	ment and Location in	Goo Shape.	PJO. STAINING	GAROUND WELL HE	EAD
		eping (Rule 114)					
10/30/2017	Routine/Perio Violations	dic	Tony Morales	Yes	No	2/2/2018	iTM173033392
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
PARKWAY Inspection	DELAWARI	E UNIT No.30	7Y		G-35-19S-29E *Significant	30-015-33997-00-0 Corrective	0
Comments o	n Inspection:		ment and Location in NED AREA 10' X 60		PJU. STAININ	G AROUND WELL	
Commente	General Houseke		ment on difficients	Cool Star	DIC CTAINING		
10/30/2017	Routine/Perio Violations	dic	Tony Morales	Yes	No	2/2/2018	iTM173033619
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
PARKWAY Inspection	DELAWARH	UNIT No.51	1		J-35-19S-29E *Significant	30-015-33073-00-0 Corrective	0
	n Inspection:	119.15.10.8	ment and Location in	Good Shape.		G AROUND WELL H	
Commonte -	General Houseke		mont and I agenting to	Cood Shart	DIA STAINUNI		EAD
10/2017	Violations	uit	rony worales	103	110	21212010	111111110000040(
Date 10/30/2017	Type Inspection Routine/Perio		Inspector Tony Morales	Violation? Yes	Non-Compliance? No	Action Due By: 2/2/2018	Inspection No. iTM1730333438
PARKWAY Inspection	DELAWARE				G-35-19S-29E *Significant	30-015-33071-00-0 Corrective	
Comments of	n Inspection:		ment and Location in RODS ON LOCAT			AROUND WELL HE	AD
	Violations General Houseke						
10/30/2017	Routine/Perio	dic	Tony Morales	Yes	No	2/2/2018	iTM1730338293
Inspection Date Type Inspecti		tion Inspector		Violation?	Non-Compliance?	Action Due By:	Inspection No.
-					*Significant	30-015-26063-00-00 Corrective	

PARKWAY Inspection	35 FEDERA	L COM No.0	05H		P-34-19S-29E *Significant	30-015-41377-00-0 Corrective	00	
Date	Type Inspection	n	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.	
10/30/2017	Routine/Perio Violations		Tony Morales	Yes	No	2/2/2018	iTM1730342397	
General Housekeeping (Rule 114) Comments on Inspection: OK. All Equipment and Location in 0 HEAD TANK BATTERIES OK 19					PJO. STAINING AROUND WELL			
OSAGE 34	FEDERAL No	.001H			A-34-19S-29E	30-015-41508-00-	00	
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.	
10/30/2017	Routine/Periodic Violations General Housekeeping (Rule 114)		Tony Morales	Yes	No	2/2/2018	iTM1730339579	
Comments of	on Inspection:	WELLHEAD	pment and Location in STAINING AROUN DK 19.15.10.8			ESSOR CONNECTED ON. TANK BATTER		
OSAGE 34 Inspection Date	FEDERAL No		Inspector	Violation?	I-34-19S-29E *Significant Non-Compliance?	30-015-41597-00- Corrective Action Due By:	00 Inspection No.	
10/30/2017	Routine/Perio Violations General Houseko		Tony Morales	Yes	No	2/2/2018	iTM1730343345	
Comments on Inspection: OK. All Equipment and Loca 19.15.10.8				Good Shape.	PJO. STAININ	G AROUND WELL H	IEAD.	
PARKWAY 35 FEDERAL COM No.00 Inspection						30-015-41646-00-00 Corrective		
Date	Type Inspectio		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.	
10/30/2017	Routine/Perio Violations General Houseko		Tony Morales	Yes	No	2/2/2018	iTM1730343646	
Comments on Inspection: OK. All Equipm			pment and Location ir ROUND WELLHEA					

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),CQ.

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.