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"

08-Dec-17

ROCKCLIFF OPERATING NEW MEXICO LLC

1301 McKinney Suite 1300 Houston TX 77010-7010

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.

SOUTH CULEBRA BLUFF UNIT			No.005		L-13-23S-28E	30-015-22922-00-00				
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.			
12/08/2017	Routine/Periodic		Tony Morales	Yes	No	3/13/2018	iTM1734235827			
	Violations									
	General Housekeeping (Rule 114)									
- 1 1			ment and Location in ERIES DRAIN NO V			AROUND WELL HE	EAD /			
SOUTH CULEBRA BLUFF 14 No.001					A-14-23S-28E	30-015-26347-00-	00			

INSPECTION DETAIL SECTION

	•		RIES DRAIN NO V	•			
SOUTH CU Inspection Date	LEBRA BLU Type Inspection	JFF 14 No.001	Inspector	Violation?	A-14-23S-28E *Significant Non-Compliance?	30-015-26347-00- Corrective Action Due By:	00 Inspection No.
12/08/2017	Routine/Peri Violations General Housek	odic	Tony Morales	Yes	No	3/13/2018 iTM	iTM1734233520
Comments on Inspection:		OK. All Equips WELL HEAD	OK. All Equipment and Location in Good Shape WELL HEAD			FF STAINING AROI	JND

SOUTH CULEBRA BLUFF 13 No.004

D-13-23S-28E

30-015-26534-00-00

Inspection Date

Inspection

Date

Type Inspection

Inspector

*Significant Violation? Non-Compliance?

Corrective Action Due By:

Inspection No.

12/08/2017 Routine/Periodic **Tony Morales**

Yes

No 3/13/2018 iTM1734233912

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape.

PJ. STAINING AROUND WELL HEAD

19.15.10.8

SCB 13 FEDERAL No.008

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

C-13-23S-28E

30-015-33645-00-00 Corrective Action Due By:

Inspection No.

12/08/2017 Routine/Periodic **Tony Morales**

Yes

No

3/13/2018

iTM1734236619

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape.

PJO. STAINING AROUND WELL HEAD

19.15.10.8

TELEDYNE 12 FEDERAL

No.003

E-12-23S-28E

30-015-33927-00-00

Corrective

Inspection Date

12/08/2017 Routine/Periodic

Type Inspection Inspector

Violation? Tony Morales Yes

*Significant Non-Compliance? No

Action Due By: 3/13/2018

Inspection No. iTM1734238246

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape.

PJ. HEAD OFF STAINING AROUND

WELL HEAD 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 Distric

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.