State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary

Matthias Sayer

Deputy Cabinet Secretary

Heather Riley

Division Director



Field Inspection Program "Preserving the Integrity of Our Environment"

07-May-18

LONGFELLOW ENERGY, LP 16803 NORTH DALLAS PARKWAY ADDISON TX 75001

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

PHILLIPS 19 FEDERAL No.006

G-19-17S-29E

30-015-31227-00-00

Inspection

Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance? No

Corrective **Action Due By:**

Inspection No.

05/07/2018

Routine/Periodic

Tony Morales

8/10/2018

Violations

General Housekeeping (Rule 114)

19.15.10.8

Yes

iTM1812743469

Comments on Inspection:

OK. All Equipment and Location in Good Shape. PJO+ STAINING AROUND WELLHEAD

PHILLIPS 19 FEDERAL No.003

A-19-17S-29E

30-015-31445-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Corrective **Action Due By:**

Inspection No.

05/07/2018

Routine/Periodic

Tony Morales

Yes

No

8/10/2018

iTM1812743010

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELLHEAD /

LOCATION 19.15.10.8 SKID ON LOCATION

PHILLIPS 19 FEDERAL No.009 C-19-17S-29E 30-015-31539-00-00 Inspection *Significant Corrective **Type Inspection** Date Inspector Violation? Inspection No. Non-Compliance? **Action Due By:** 05/07/2018 Routine/Periodic **Tony Morales** Yes No 8/10/2018 iTM1812741725 Violations General Housekeeping (Rule 114) **Comments on Inspection:** OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELLHEAD 19.15.10.8 PHILLIPS 19 FEDERAL No.011 1-19-17S-29E 30-015-31554-00-00 Inspection *Significant Corrective Date **Type Inspection** Inspector Violation? Non-Compliance? Inspection No. Action Due By: 05/07/2018 Routine/Periodic Tony Morales Yes No 8/10/2018 iTM1812741368 Violations General Housekeeping (Rule 114) Comments on Inspection: OK. All Equipment and Location in Good Shape. PJO STAINING AROUND WELLHEAD 19.15.10.8 PHILLIPS 19 FEDERAL No.010 C-19-17S-29E 30-015-31614-00-00 Inspection *Significant Corrective **Type Inspection** Inspector Date Violation? Non-Compliance? Action Due By: Inspection No. 05/07/2018 Routine/Periodic Tony Morales Yes No 8/10/2018 iTM1812741520 **Violations** General Housekeeping (Rule 114) Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELLHEAD 19.15.10.8 PHILLIPS 19 FEDERAL No.013 F-19-17S-29E 30-015-31633-00-00 Inspection *Significant Corrective **Type Inspection** Inspector Date Violation? Inspection No. Non-Compliance? **Action Due By:** 05/07/2018 Routine/Periodic Tony Morales Yes No 8/10/2018 iTM1812740962 **Violations** General Housekeeping (Rule 114) **Comments on Inspection:** OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELLHEAD 19.15.10.8 PHILLIPS 19 FEDERAL No.004 H-19-17S-29E 30-015-33502-00-00 Inspection *Significant Corrective **Type Inspection** Date Inspector Violation? Inspection No. Non-Compliance? **Action Due By:** 05/07/2018 Routine/Periodic **Tony Morales** Yes No 8/10/2018 iTM1812743649 **Violations** General Housekeeping (Rule 114) **Comments on Inspection:** OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELLHEAD CONTAMINATED MATERIAL ON LOCATION 19.15.10.8 PHILLIPS 19 FEDERAL No.015M B-19-17S-29E 30-015-33503-00-00 Inspection *Significant Corrective **Type Inspection** Date Inspector Violation? Non-Compliance? Action Due By: Inspection No. 05/07/2018 Routine/Periodic Tony Morales Yes No 8/10/2018 iTM1812742636 **Violations** General Housekeeping (Rule 114) OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELLHEAD Comments on Inspection: 19.15.10.8 PHILLIPS 19 FEDERAL No.014 F-19-17S-29E 30-015-33516-00-00 Inspection *Significant Corrective **Type Inspection** Date Inspector Violation? Inspection No. Non-Compliance? **Action Due By:** 05/07/2018 Routine/Periodic **Tony Morales** Yes No 8/10/2018 iTM1812740760 **Violations**

OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELLHEAD.

General Housekeeping (Rule 114)

19.15.10.8

Comments on Inspection:

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.