State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McOueen

Cabinet Secretary

Matthias Saver

Deputy Cabinet Secretary

Heather Riley Division Director



Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

07-May-18

LONGFELLOW ENERGY, LP 16803 NORTH DALLAS PARKWAY ADDISON TX 75001

Dear Operator:

LETTER OF VIOLATION - Inspection

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 Inspection

Type Inspection Routine/Periodic Inspector

Tony Morales

Violation?

G-19-17S-29E 30-015-31227-00-00

*Significant Corrective Non-Compliance? Action Due By:

Inspection No. iTM1812743469

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

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

Yes

19.15.10.8

PHILLIPS 19 FEDERAL No.003

A-19-17S-29E

No

30-015-31445-00-00

8/10/2018

Inspection

Date

05/07/2018

Type Inspection Date

Inspector Violation?

*Significant Corrective Non-Compliance?

Inspection No. Action Due By:

05/07/2018 Routine/Periodic **Tony Morales**

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 /

Yes

LOCATION 19.15.10.8 SKID ON LOCATION

PHILLIPS 19 FEDERAL No.009 C-19-17S-29E 30-015-31539-00-00 Inspection *Significant **Type Inspection** Corrective Date Inspector Violation? Non-Compliance? Action Due By: Inspection No. 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 Date **Type Inspection** Inspector 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 Date Type Inspection Inspector Violation? Non-Compliance? **Action Due By:** Inspection No. 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 **Type Inspection** Corrective Date Inspector Violation? Non-Compliance? Inspection No. Action Due By: 05/07/2018 Routine/Periodic Tony Morales Yes No 8/10/2018 iTM1812743649 **Violations** General Housekeeping (Rule 114) OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELLHEAD **Comments on Inspection:** 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) **Comments on Inspection:** OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELLHEAD

19.15.10.8

PHILLIPS 19 FEDERAL No.014 F-19-17S-29E 30-015-33516-00-00 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 iTM1812740760 **Violations** General Housekeeping (Rule 114)

Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELLHEAD. 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.