State Of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisbam

Sarah Cottrell Propst Cabinet Secretary

Vacant

Deputy Cabinet Secretary

Gabriel Wade Division Director

"Response Required - Deadline Enclosed"



Field Inspection Program "Preserving the Integrity of Our Environment"

11-Jan-19

JUDAH OIL LLC 1805 Jacobs Artesia, NM 88210

LETTER OF VIOLATION - Field Inspection

Dear Operator:

The following inspection indicates that the well, equipment, location or operational status of the well 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 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

[30-015-27346] SAND POINT STATE #001

OGRID: 245872

K-02-21S-28E 2673 FNL 1650 FWL

Inspection Date 11/29/2018

Type Inspection

Inspector

Corrective Action Due By

Inspection No.

Routine Inspection

[GC] Gilbert Cordero

2/27/2019

iGC1833333157

Violations:

Rule Violation

19.15 Oil and Gas Mechanical integrity test not properly performed

Comment

WELL WOULD NOT HOLD PRESSURE

19.15 Oil and Gas Mechanical Integrity Failure Recorded

MIT failure was added

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 Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Artesia OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data