

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\***

28-Jun-17

SMITH & MARRS INC  
P.O. BOX 863  
KERMIT TX 79745-9745

**LETTER OF VIOLATION - Inactive Well(s)**

Dear Operator:

A review of our records and recent inspection(s) indicate that the subject well(s) has been shut-in for an extended period of time. Rule 19.15.25.8 of the Rules and Regulation of the Oil Conservation Division provides that a well may be shut-in no longer than sixty days after suspension of drilling operations, upon determining that this well is no longer usable (e.g., a dry hole), or one year after last production. To comply with guidelines as established in the Rules and Regulations, corrective actions must be taken immediately and the well(s) brought into compliance.

The detail section below indicates preliminary findings and/or probable nature of the violation.

The following options are available:

1. Immediately restore the well(s) to production, injection or disposal as applicable.
2. Request 'Temporary Abandoned' status pursuant to Rule 19.15.25.13, which requires that you set a plug and conduct a mechanical integrity test.
3. Submit a proposal to 'Plug and Abandon' the well(s) pursuant to Rule 19.15.25.9, proceed with plugging procedures on a timely basis after the proposal has been evaluated, amended and/or approved.

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. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

**IDLE WELL INSPECTION DETAIL SECTION**

<b>WELCH STATE 004</b>	<b>K-17-18S-28E</b>	<b>30-015-10452-00-00</b>	<b>Inspection No. iGC1717732522</b>
<b>Inspection Date:</b>	<b>6/26/2017 9:02:00 AM</b>	<b>Corrective Action Due by: 9/29/2017</b>	
<b>Type Inspection</b>	<b>Inspector</b>	<b>Violation?</b>	<b>*Significant Non-Compliance?</b>
Routine/Periodic	Gilbert Cordero	Yes	No
<b>Comments on Inspection:</b>	SECOND NOTICE: Violation of rule 19.15.25.8. CASING STICKING OUT OF GROUND. NEEDS TO BE PROPERLY PLUGGED AND MARKER INSTALLED		
<b>BRADSHAW 002</b>	<b>O-4-19S-25E</b>	<b>30-015-27893-00-00</b>	<b>Inspection No. iGC1717943078</b>

Inspection Date: 6/28/2017 11:57:48 AM

Corrective Action Due by: 10/1/2017

Type Inspection

Inspector

Violation?

\*Significant Non-Compliance?

Routine/Periodic

Gilbert Cordero

Yes

No

Comments on Inspection:

Violation of rule 19.15.25.8. LAST REPORTED PRODUCTION 12-1-15. PJ POWER OFF AT HOA. CAPABLE OF PRODUCING

**BRADSHAW 003**

N-4-19S-25E

**30-015-29360-00-00**

Inspection No. iGC1717943593

Inspection Date: 6/28/2017 12:06:31 PM

Corrective Action Due by: 10/1/2017

Type Inspection

Inspector

Violation?

\*Significant Non-Compliance?

Routine/Periodic

Gilbert Cordero

Yes

No

Comments on Inspection:

Violation of rule 19.15.25.8. LAST REPORTED PRODUCTION 12-1-15. PJ POWER OFF AT HOA. NO BELTS ON MOTOR. TB OK

**BRADSHAW  
004**

M-4-19S-25E

**30-015-29675-00-00**

Inspection No. iGC1717944143

Inspection Date: 6/28/2017 12:15:41 PM

Corrective Action Due by: 10/1/2017

Type Inspection

Inspector

Violation?

\*Significant Non-Compliance?

Routine/Periodic

Gilbert Cordero

Yes

No

Comments on Inspection:

Violation of rule 19.15.25.8. LAST REPORTED PRODUCTION 12-1-15. PJ POWER OFF AT HOA. CAPABLE OF PRODUCING. VALVES OPEN

Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infrastructure of the oil and gas industry.

Sincerely,

*Gilbert Cordero*  
Staff Mgr

Artesia OCD District Office

\* Significant Non-Compliance events are reported directly to the U.S. Environmental Protection Agency, Region VI, Dallas, Texas.