State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

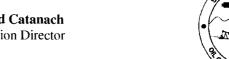
Governor

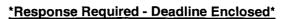
Ken McQueen Cabinet Secretary

Matthias Sayer

Deputy Cabinet Secretary

David Catanach Division Director





Field Inspection Program "Preserving the Integrity of Our Environment"

07-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.

		INSPECTIO	IN DETAIL	SECTION		
AMOCO FEDERAL 11 Inspection Date Type Inspection		No.001 Inspector	Violation?	I-11-23S-28E *Significant Non-Compliance?	30-015-22975-00- Corrective Action Due By:	00 Inspection No.
12/07/2017	Routine/Period Violations General Housekee	- ·	Yes	No	3/12/2018	iTM1734133661
Comments	on Inspection:	OK. All Equipment and Location in 19.15.10.8 TANK BATTERY NO			AROUND WELLHE	AD
AMOCO FEDERAL 11		No.004		J-11-23S-28E	30-015-26495-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/07/2017	Routine/Perior Violations General Houseke	•	Yes	No	3/12/2018	iTM1734133839
Comments on Inspection:		OK. All Equipment and Location i 19.15.10.8	n Good Shape	. PJO. STAINING	AROUND WELLHE	AD

INSPECTION DETAIL SECTION

AMOCO FI	EDERAL 11 N	No.006			B-11-23S-28E	30-015-26496-00-0	00		
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.		
12/07/2017	7 Routine/Periodic Violations General Housekeeping (Rule 114)		Tony Morales	Yes	No	3/12/2018	iTM1734135541		
Comments	on Inspection:	OK. All Equips 19.15.10.8	ment and Location in	Good Shape.	PJO. STAINING	AROUND WELLHEA	ΔD		
	EDERAL 11 N	io.007			P-11-23S-28E	30-015-26512-00-00			
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.		
12/07/2017	Routine/Perio Violations General Houseko	odic	Tony Morales	Yes	No	3/12/2018	iTM1734132985		
Comments	on Inspection:	OK. All Equips 19.15.10.8	ment and Location in	Good Shape.	PJO. STAINING	AROUND WELLHEA	AD PJ		
AMOCO FEDERAL 11 No.005 Inspection Date Type Inspection			Inspector	Violation?	G-11-23S-28E *Significant Non-Compliance?	30-015-26527-00-0 Corrective Action Due By:	OO Inspection No.		
12/07/2017	Routine/Perio		Tony Morales	Yes	Non-compnance:	3/12/2018	iTM1734134083		
	Violations								
	General Housek	eeping (Rule 114)							
		OK. All Equipt 19.15.10.8	OK. All Equipment and Location in Good Shape. PJO. STAINING AROUND WELLHEAD 19.15.10.8						
AMOCO FEDERAL 11			No.002		O-11-23S-28E	30-015-26540-00-00			
Inspection Date	Type Inspectio	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.		
12/07/2017	Routine/Perio	odic	Tony Morales	Yes	No	3/12/2018	iTM1734133384		
	Violations General Housek	eeping (Rule 114)							
Comments	on Inspection:	OK. All Equipo 19.15.10.8	ment and Location ir	GoodShape.	PJO. STAINING	AROUND WELLHEA	D		

AMOCO FEDERAL 11 No.009

B-11-23S-28E

30-015-33916-00-00

Inspection **Type Inspection** Date 12/07/2017 Routine/Periodic

Inspector

Violation? Yes

*Significant Non-Compliance? No

Corrective Action Due By: 3/12/2018

Inspection No. iTM1734135291

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

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

Tony Morales

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.