

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



**\*Response Required - Deadline Enclosed\***

*Field Inspection Program*  
*"Preserving the Integrity of Our Environment"*

02-Jul-18

**PREMIER OIL & GAS INC**  
901 WATERFALL WAY SUITE 201  
RICHARDSON TX 75080

**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***

<b>DALE H PARKE A TRACT 1 No.010</b>				L-22-17S-30E	<b>30-015-04255-00-00</b>		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.	
07/02/2018	Routine/Periodic	Tony Morales	Yes	No	10/5/2018	iTm1818337196	
<b>Violations</b>		General Housekeeping (Rule 114)					
<b>Comments on Inspection:</b>				OK. All Equipment and Location in Good Shape. PJO OLD TUBING ON LOCATION			
<b>DALE H PARKE A TRACT 1 No.018</b>				D-22-17S-30E	<b>30-015-30455-00-00</b>		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.	
07/02/2018	Routine/Periodic	Tony Morales	Yes	No	10/5/2018	iTm1818332930	
<b>Comments on Inspection:</b>				OK. All Equipment and Location in Good Shape. PJ. STAINING AROUND WELL HEAD 19.15.29			
<b>DALE H PARKE A TRACT 1 No.019</b>				E-22-17S-30E	<b>30-015-30705-00-00</b>		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.	
07/02/2018	Routine/Periodic	Tony Morales	Yes	No	10/5/2018	iTm1818333887	
<b>Comments on Inspection:</b>				OK. All Equipment and Location in Good Shape. PJO STAINING AROUND PJ 19.15.29			

<b>DALE H PARKE A TRACT 1 No.021</b>				C-22-17S-30E	<b>30-015-30730-00-00</b>	
<b>Inspection Date</b>	<b>Type Inspection</b>	<b>Inspector</b>	<b>Violation?</b>	<b>*Significant Non-Compliance?</b>	<b>Corrective Action Due By:</b>	<b>Inspection No.</b>
07/02/2018	Routine/Periodic	Tony Morales	Yes	No	10/5/2018	iTM1818347200
<b>Comments on Inspection:</b>		OK. All Equipment and Location in Good Shape. 19.15.29		PJ STAINING AROUND WELLHEAD		
<b>DALE H PARKE A TRACT 1 No.020</b>				D-22-17S-30E	<b>30-015-30733-00-00</b>	
<b>Inspection Date</b>	<b>Type Inspection</b>	<b>Inspector</b>	<b>Violation?</b>	<b>*Significant Non-Compliance?</b>	<b>Corrective Action Due By:</b>	<b>Inspection No.</b>
07/02/2018	Routine/Periodic	Tony Morales	Yes	No	10/5/2018	iTM1818348810
<b>Comments on Inspection:</b>		OK. All Equipment and Location in Good Shape. 19.15.29		PJ. STAINING AROUND WELLHEAD / PJ		
<b>DALE H PARKE A TRACT 1 No.023</b>				A-22-17S-30E	<b>30-015-30738-00-00</b>	
<b>Inspection Date</b>	<b>Type Inspection</b>	<b>Inspector</b>	<b>Violation?</b>	<b>*Significant Non-Compliance?</b>	<b>Corrective Action Due By:</b>	<b>Inspection No.</b>
07/02/2018	Routine/Periodic	Tony Morales	Yes	No	10/5/2018	iTM1818344211
<b>Comments on Inspection:</b>		OK. All Equipment and Location in Good Shape. 19.15.29		PJ STAINING AROUND WELLHEAD		
<b>GISSLER A No.006</b>				C-23-17S-30E	<b>30-015-33588-00-00</b>	
<b>Inspection Date</b>	<b>Type Inspection</b>	<b>Inspector</b>	<b>Violation?</b>	<b>*Significant Non-Compliance?</b>	<b>Corrective Action Due By:</b>	<b>Inspection No.</b>
07/02/2018	Routine/Periodic	Tony Morales	Yes	No	10/5/2018	iTM1818342025
<b>Comments on Inspection:</b>		OK. All Equipment and Location in Good Shape. 19.15.29		PJO STAINING AROUND WELLHEAD		
<b>DALE H PARKE A TRACT 1 No.029</b>				C-22-17S-30E	<b>30-015-35732-00-00</b>	
<b>Inspection Date</b>	<b>Type Inspection</b>	<b>Inspector</b>	<b>Violation?</b>	<b>*Significant Non-Compliance?</b>	<b>Corrective Action Due By:</b>	<b>Inspection No.</b>
07/02/2018	Routine/Periodic	Tony Morales	Yes	No	10/5/2018	iTM1818347546
<b>Comments on Inspection:</b>		OK. All Equipment and Location in Good Shape. 19.15.29		PJ STAINING AROUND AROUND WELLHEAD CONTAMINATED MATERIAL ON LOCATION		
<b>DALE H PARKE A TRACT 1 No.031</b>				C-22-17S-30E	<b>30-015-36299-00-00</b>	
<b>Inspection Date</b>	<b>Type Inspection</b>	<b>Inspector</b>	<b>Violation?</b>	<b>*Significant Non-Compliance?</b>	<b>Corrective Action Due By:</b>	<b>Inspection No.</b>
07/02/2018	Routine/Periodic	Tony Morales	Yes	No	10/5/2018	iTM1818348141
<b>Comments on Inspection:</b>		OK. All Equipment and Location in Good Shape. FRESH OIL		PJ STAINING AROUND WELLHEAD /		
<b>DALE H PARKE A TRACT 1 No.040</b>				E-22-17S-30E	<b>30-015-37795-00-00</b>	
<b>Inspection Date</b>	<b>Type Inspection</b>	<b>Inspector</b>	<b>Violation?</b>	<b>*Significant Non-Compliance?</b>	<b>Corrective Action Due By:</b>	<b>Inspection No.</b>
07/02/2018	Routine/Periodic	Tony Morales	Yes	No	10/5/2018	iTM1818334686
<b>Violations</b>		General Housekeeping (Rule 114)				
<b>Comments on Inspection:</b>		OK. All Equipment and Location in Good Shape. LOCATION		PJO OLD TUBING / SUCKER RODS ON		

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.

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.