State Of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor Sarah Cottrell Propst Cabinet Secretary Todd E. Leahy, JD, PhD Deputy Cabinet Secretary

Adrienne Sandoval
Division Director



"Response Required - Deadline Enclosed"

Field Inspection Program
"Preserving the Integrity of Our Environment"

01-Oct-20

YARBROUGH OIL LP

1008 West Broadway Hobbs, NM 88240

Dear Operator:

LETTER OF VIOLATION - Field Inspection

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

[30-025-02369] NEW MEXICO U STATE #001

OGRID: 25504

H-28-18S-34E 1980 FNL 660 FEL

Inspection DateType InspectionInspectorCorrective Action Due ByInspection No.10/1/2020Routine Inspection[GR] Gary Robinson12/30/2020iGR2027547646

Violations:

Rule Violation

19.15.16.8 Sign on Wells

Absent Well
Identification Sign

Comment:

Last prod 8-2020, power off to unit, tbg and csg open, no well sign at well only at battery. Violation Rule: 19.15.16.8. Please notify Gary Robinson at Gary.robinson@state.nm.us with picture of new sign when installed.

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,

Yary Kolenson

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

Oil Conservation Division * 1625 N. French Drive * Hobbs, NM 88240 Phone: 575-393-6161 * Fax: 575-393-0720 * www.emnrd.state.nm.us