

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-Mar-21

Permian Water Solutions, LLC
 PO Box 2106
 Midland, TX 79702

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

[30-025-07713] A N ETZ #001

OGRID: 373626

P-26-19S-38E 660 FSL 660 FEL

Inspection Date 3/1/2021	Type Inspection Operator Updates	Inspector [EZB] Eugene Bolton	Corrective Action Due By 5/30/2021	Inspection No. iEZB216064093
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Violations:

Rule

19.15.16.18 Well and Lease Equipment

Violation

Substandard Equipment and/or Needs Repair

Comment:

Repair defective piping and all breaches in berm liner.

19.15.16 Drilling and Production

Noncompliance with Permitting or Registration

Comment:

Identify the tank battery 400 m to the northeast that is connected by poly line from/to the facility A N ETZ #001. Register with Oil Conservation Division, Form C-103. Place proper signage at the tank battery. Ensure proper rules are followed and maintained in accordance with the appropriate Parts in 19.15 NMAC.

19.15.29 Releases

Surface Leaks/Spills

Comment:

Release of hydrocarbon / prod water. Release on Feb 4, 2021, per Standard Trucking records of notification, and vacuum truck dispatched on Feb 5, 2021.

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,



Eugene Bolton, Compliance Ofc.
Hobbs OCD District Office

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