

State of New Mexico  
Energy, Minerals and Natural Resources Department

Susana Martinez  
Governor

David Martin  
Cabinet Secretary

Brett F. Woods, Ph.D.  
Deputy Cabinet Secretary

Jami Bailey, Division Director  
Oil Conservation Division



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

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

20-Nov-14

DAKOTA RESOURCES INC (I)  
4914 N. MIDKIFF RD  
MIDLAND TX 79705

**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.

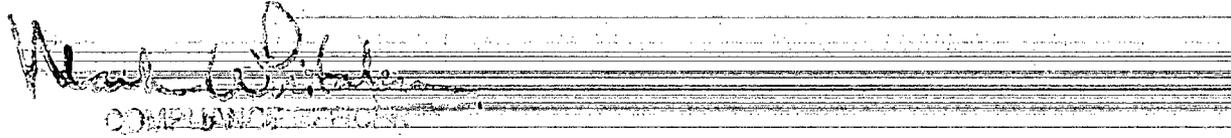
***INSPECTION DETAIL SECTION***

MELISSA No.001		O-34-14S-35E		30-025-30029-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
11/20/2014	Routine/Periodic	Mark Whitaker	Yes	No	2/23/2015	iMAW1432445822
<b>Violations</b>						
Absent Well Identification Signs (Rule 103)						
General Housekeeping (Rule 114)						
<b>Comments on Inspection:</b>		Well sign not legible (Rule 19.15.16.8). Fence down around heater treater allowing cattle to enter. NEED TO REPLACE WELL SIGN AND REPAIR FENCING AROUND VESSELS AND TANKS.				

**Rule 19.15.16.8 Sign should be legible from 50' and each sign shall show operator's name, property name, well number, location by footage, unit letter section, township, range, and API number**

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.

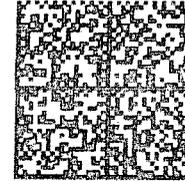
Sincerely,

A handwritten signature in dark ink is written over a horizontal line. Below the signature, the word "COMPLIANCE" is printed in a bold, sans-serif font. The entire signature and stamp area is overlaid on a background of horizontal lines, likely from a document or form.

Hobbs 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.

**EMNRD  
OIL CONSERVATION DIVISION  
1625 N FRENCH DRIVE  
HOBBS NM 88240**



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**\$0.48**  
11/20/14  
Mailed From 88240

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US POSTAGE

**DAKOTA RESOURCES INC  
4914 N. MIDKIFF RD  
MIDLAND, TX 79705**