

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"

**HOBBS OCD**

**APR 11 2018**

**RECEIVED**

11-Apr-18

**DIAMOND S ENERGY COMPANY**  
6608 Bryant Irvin Road  
Fort Worth TX 76132-6132

**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>TEXACO SHELL STATE COM No.001</b>		<b>J-25-17S-34E</b>		<b>30-025-20948-00-00</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>
04/10/2018	Routine/Periodic	Mark Whitaker	Yes	No	7/14/2018	iMAW1810125200
<b>Violations</b>						
Absent Well Identification Signs (Rule 103)						
Substandard Equipment and/or Needs Repair						
<b>Comments on Inspection:</b> Well sign not legible (Rule 19.15.16.8). No production reported in over 36 months (Rule 19.15.25.8). NEED TO REPLACE WELL SIGN. NEED TO RETURN WELL TO PRODUCTION, REQUEST TA STATUS, OR PLUG & ABANDON. 1ST NOTICE						

**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,  P.E.S.

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.

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



**HASLER**

**FIRST-CLASS MAIL**

**\$000.47<sup>0</sup>**

04/11/2018 ZIP 88240  
012E14642224

**US POSTAGE**

**DIAMOND S ENERGY COMPANY  
6608 BRYANT IRVIN ROAD  
FORT WORTH, TX 76132-6132**