

State Of New Mexico

Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor
Sarah Cottrell Propst
Cabinet Secretary
Vacant
Deputy Cabinet Secretary

Gabriel Wade
Division Director



"Response Required - Deadline Enclosed"

Field Inspection Program
"Preserving the Integrity of Our Environment"

10-Jan-19

SUNDOWN ENERGY LP
13455 Noel Rd.
Suite 2000
Dallas, TX 75240

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

[30-025-28905] KOCHIA AAM STATE #001

OGRID: 232611

O-35-15S-36E 990 FSL 2310 FEL

Inspection Date 1/10/2019	Type Inspection Routine Inspection	Inspector [LZR] Leslie Rickman	Corrective Action Due By 4/10/2019	Inspection No. iLZR191030485
-------------------------------------	--	--	--	--

Violations:

Rule	Violation	Comment
19.15.16.8 Sign on Wells	Absent Well Identification Sign	No sign at the well or at the facility that shares the location and supports the disposal. Looked around and could no find signs

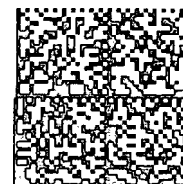
In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,

Hobbs OCD District Office

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

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



NEOPOST

FIRST-CLASS MAIL

\$000.50⁰

02/27/2019 ZIP 88240
042L14818194

Sundwon Energy LP
13455 Noel Rd.
Suite 2000
Dallar, Texas 75240