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

<u>"Response Required - Deadline</u> <u>Enclosed"</u>

Field Inspection Program "Preserving the Integrity of Our Environment"



30-Jun-21

BXP Operating, LLC P.O. Box 7227 Dallas, TX 75209

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

[30-025-01525] CAPROCK MALJAMAR UNIT #098			OGRID: 329487	M-28-17S-33E 660 FSL 660 FWL
Inspection Date 3/8/2021	Type Inspection Routine Inspection	Inspector [GR] Gary Robinson	Corrective Action Due By 6/6/2021	Inspection No. iGR2118130888
Violations:				
Rule	Violation			
19.15 Oil and Gas	Mechanical Integrity Failure Recorded			
Comment: MIT failure was add	ded OPERATOR RE	PORTED FAILED BHT -	PROD CSG WOULD NOT BLE	D DOWN, WELL WAS SHUT IN.

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,

Lary Kolonson

Hobbs OCD District Office

LETTER OF VIOLATION - Field Inspection

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