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"



13-Nov-20

CHEVRON MIDCONTINENT, L.P. 6301 Deauville Blvd

Midland, TX 79706

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

[30-025-31567] LOVINGTON PADDOCK UNIT #131			OGRID: 241333	M-36-16S-36E 1028 FSL 230 FWL
Inspection Date 11/2/2020	Type Inspection Routine Inspection	Inspector [EZB] Eugene Bolton	Corrective Action Due By 2/16/2021	Inspection No. iEZB2030739860
Violations:				
Rule				Violation
19.15.10.8 Safety Procedures for Drilling and Production				Unauthorized Release
Comment: APPARENTLY A HOUSING LARGE HYDROCARBON LEAK. Complete Form C-141 for all small or large spills.				

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 <u>occur</u>. 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,

Ego BLE

Compliance Officer, EMNRD-OCD

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