State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin

Cabinet Secretary

David Catanach, Director Oil Conservation Division



Tony Delfin

Deputy Cabinet Secretary

Response Required - Deadline Enclosed

Underground Injection Control Program "Protecting Our Underground Sources of Drinking Water"

25-Oct-16

CROSS TIMBERS ENERGY, LLC

Attn: Robbie Grigg 400 West 7th Street Fort Worth TX 75070-5070

LETTER OF VIOLATION and SHUT-IN DIRECTIVE Failed Mechanical Integrity Test

Dear Operator:

The following test(s) were performed on the listed dates on the following well(s) shown below in the test detail section.

The test(s) indicates that the well or wells failed to meet mechanical integrity standards of the New Mexico Oil Conservation Division. To comply with guidelines established by the U.S. Environmental Protection Agency, the well(s) must be shut-in immediately until it is successfully repaired. The test detail section which follows indicates preliminary findings and/or probable causes of the failure. This determination is based on a test of your well or facility by an inspector employed by the Oil Conservation Division. Additional testing during the repair operation may be necessary to properly identify the nature of the well failure.

Please notify the proper district office of the Division at least 48 hours prior to the date and time that the well(s) will be retested so the test may be witnessed by a field representative.

MECHANICAL INTEGRITY TEST DETAIL SECTION

NORTH VACUUM ABO UNIT No.155

30-025-23695-00-00

Active Injection - (All Types)

D-23-17S-34E

Test Date: Test Reason:

3/23/2010

Permitted Injection PSI:

Actual PSI:

6/26/2010

Annual IMIT

Test Result:

Std. Annulus Pres. Test

FAIL TYPE: Other Internal Failure

Repair Due: FAIL CAUSE:

Comments on MIT: FAILED PT: ****OPERATOR IN VIOLATION OF NMOCD RULE 19.15.26.11*****