State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueenCabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David CatanachDivision Director



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

26-Oct-17

DEVON ENERGY PRODUCTION COMPANY, LP

PO Box 250

Artesia NM 88210

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.

DIAMOND PWU 22		No.002	No.002H		E-22-19S-29E	30-015-38475-00-0	00
Inspection Date	Type Inspection	Ĭr	spector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/26/2017	Routine/Perio	dic T	ony Morales	Yes	No	1/29/2018	iTM1729931338
	Violations						
	General Houseke	eping (Rule 114)					
		OK. All Equipment 19.15.10.8	and Location in	Good Shape.	PJ. STAINING AI	ROUND WELL HEAI)
DIAMOND PWU 22		No.003H			I-21-19S-29E	30-015-39372-00-00	
Inspection Date	Type Inspection	Ir	spector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/26/2017	Routine/Periodic		Tony Morales	Yes	No	1/29/2018	iTM1729932702
	Violations						
	General Houseke	eping (Rule 114)					
Comments	on Inspection:	OK. All Equipmen 19.15.10.8	and Location ir	Good Shape.	PJO. STAINING AF	ROUND WELL HEAD)

DIAMOND PWU 22 P-21-19S-29E No.004H 30-015-40036-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Non-Compliance? Date Action Due By: 10/26/2017 Routine/Periodic Tony Morales Yes No 1/29/2018 iTM1729933393 **Violations** General Housekeeping (Rule 114) **Comments on Inspection:** OK. All Equipment and Location in Good Shape. PJO. STAINING AROUND WELL HEAD

19.15.10.8 **ONYX PWU 29** No.006H H-29-19S-29E 30-015-40514-00-00 *Significant Inspection Corrective Type Inspection Violation? Inspection No. Inspector Date Non-Compliance? Action Due By: 10/26/2017 Routine/Periodic Tony Morales Yes 1/29/2018 iTM1729936757 Violations General Housekeeping (Rule 114) Comments on Inspection: OK. All Equipment and Location in Good Shape. PJO. STAINING AROUND WELL HEAD SINK HOLE 100' WEST 100' NORTH FROM PUMP JACK VISIBLE FROM LOCATION ENTRANCE 19.15.10.8 PUMPER HOSTILE

CORAL PWU 28 No.006H H-29-19S-29E 30-015-40516-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 10/26/2017 Routine/Periodic Tony Morales Yes No 1/29/2018 iTM1729935936 **Violations** General Housekeeping (Rule 114) Comments on Inspection: PJO. STAINING AROUND WELL OK. All Equipment and Location in Good Shape.

OK. All Equipment and Location in Good Shape. PJO. STAINING AROUND WELL HEAD SINK HOLE 100' WEST 100' NORTH FROM PUMP JACK VISIBLE FROM LOCATION ENTRANCE 19.15.10.8 PUMPER HOSTILE

I-21-19S-29E 30-015-41007-00-00 **DIAMOND PWU 22** No.007H *Significant Inspection Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: iTM1729932886 10/26/2017 Routine/Periodic Tony Morales Yes No 1/29/2018 Violations General Housekeeping (Rule 114) Comments on Inspection: OK. All Equipment and Location in God Shape. PJ. STAINING AROUND WELL HEAD DEAD MEN NOT MARKED. 19.15.10.8

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 Divison Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,

Artesia 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.