

NEW MEXICO ENERGY, MINERALS NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop Cabinet Secretary ARTESIA, N.M.

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

MAY 2 6 2005

Field Inspection Program

"Preserving the Integrity of Our Environment"

RECEIVED

JUL 1.3 2005

809:AFITERIA

18-May-05

DEVON LOUISIANA CORPORATION P.O. BOX 250

ARTESIA NM 88211

NOTICE 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.

INSPECTION DETAIL SECTION -

EDDY GE STATE COM No.004

Type Inspection

Inspector

Violation?

*Significant

A-23-20S-27E

Corrective

Inspection No.

Date 05/18/2005

Inspection

Routine/Periodic

Mike Bratcher

Yes

Non-Compliance? No

Action Due By: 6/20/2005

30-015-33748-00-00

iMLB0513849984

Violetions

Absent Well Identification Signs (Rule 103)

Comments on Inspection:

Drilling pit open with liner intact. Some contamination at area where blowdown line would have

terminated. No well sign. Violation Rule 103.

Dry pt Closed 6-28-05

V. Rodrigue

Accepted for record - NIMOCD

Oil Conservation Division * 1301 W. Grand * Artesia, New Mexico 88210 Phone: 505-748-1283 * Fax: 505-748-9720 * http://www.emnrd.state.nm.us 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. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

Sincerely,

Artesia OCD District Office

Mily BRANCHER

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.