State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

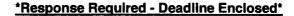
Ken McQueen Cabinet Secretary

Matthias Sayer

Deputy Cabinet Secretary

David CatanachDivision Director

Division Director



Field Inspection Program
"Preserving the Integrity of Our Environment"

28-Aug-17

EOG Y RESOURCES, INC.

104 S. Fourth St.

Artesia NM 88210-8210

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.

BAILOUT BOA FEDERAL COM		No.001H		I-12-18S-29E	30-015-37168-00-	00	
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/28/2017	Routine/Period	c	Tony Morales	Yes	No	12/1/2017	iTM1724042739
	Violations						
	General Housekeep	ing (Rule 114))				
Comments of	on Increction:			Caad Chass	. PJO. STAINING	I ADOUGHD WEST III	CAD
		ANK BATT	pment and Location in ERIES OK 19.15.10.	•		30-015-38518-00-	
	•	ANK BATT	ERIES OK 19.15.10.	•	H-13-18S-29E *Significant Non-Compliance?	30-015-38518-00- Corrective Action Due By:	
GRATEFUL Inspection Date	L BOD FEDER	ANK BATT	ERIES OK 19.15.10. Io.002H	8	H-13-18S-29E *Significant	30-015-38518-00- Corrective	00
GRATEFUI	L BOD FEDER Type Inspection	ANK BATT	ERIES OK 19.15.10. io.002H Inspector	8 Violation?	H-13-18S-29E *Significant Non-Compliance?	30-015-38518-00- Corrective Action Due By:	00 Inspection No.
GRATEFUL Inspection Date	L BOD FEDER Type Inspection Routine/Period	ANK BATT	ERIES OK 19.15.10. Io.002H Inspector Tony Morales	8 Violation?	H-13-18S-29E *Significant Non-Compliance?	30-015-38518-00- Corrective Action Due By:	00 Inspection No.

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.