State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

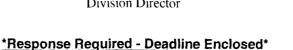
Governor

Ken McQueen Cabinet Secretary

Matthias Sayer

Deputy Cabinet Secretary

David CatanachDivision Director





Field Inspection Program
"Preserving the Integrity of Our Environment"

07-Nov-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.

SIRIUS 17 I Inspection Date	FEDERAL No. Type Inspection		Violation?	M-17-19S-31E *Significant Non-Compliance?	30-015-38478-00-00 Corrective Action Due By:	Inspection No.
11/07/2017	Routine/Period Violations Surface Leaks/Sp General Housekee	ills	Yes	No	2/10/2018 i	TM1731143851
Comments	on Inspection:	OK. All Equipment and Location HEAD+ / LOCATION STAINED	•		G AROUND WELL	
RIGEL 20 I Inspection Date	FEDERAL CO Type Inspection		Violation?	L-20-19S-31E *Significant Non-Compliance?	30-015-39725-00-00 Corrective Action Due By:	Inspection No.

INSPECTION DETAIL SECTION

KIODO WO I	LDLMIL CO	111 110100011	11 20 135 31E 00 01E 0372E 00 00					
Inspection Date	Type Inspection	n Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.		
11/07/2017	Routine/Peri	odic Tony Morales	Yes	No	2/10/2018	iTM1731148088		
	Violations							
General Housekeeping (Rule 114)								
Comments on Inspection:		OK. All Equipment and Location in Good Shape. PJ. STAINING AROUND WELL HEAD TANK BATTERY OK CONTAINED / FLARE OK 19.15.10.8 CONTAMINATED MATERIAL NEXT TO TANK BATTERIES SPOKE TO LEONARD AGUILAR LOCATIONS BEING CLEANED						

RIGEL 20 FEDERAL COM No.004H

L-20-19S-31E

30-015-39726-00-00

Inspection Date

Type Inspection

Inspector

Violation? Yes *Significant Non-Compliance? Corrective Action Due By:

Inspection No.

11/07/2017 Routine/Periodic

Tony Morales

2/10/2018

iTM1731147904

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape.

PJ. STAINING AROUND WELL HEAD

TANK BATTERY OK CONTAINED / FLARE OK 19.15.10.8

BELLATRIX 28 FEDERAL No.001H

A-29-19S-31E

30-015-40331-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance? Corrective Action Due By:

Inspection No.

11/07/2017 Rout

Routine/Periodic

Tony Morales

Yes

No

2/10/2018

iTM1731142136

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

Comments on Inspection:

OK. All Equipment and Location in Good Shape.

PJO. STAINING AROUND WELL

HEAD TANK BATTERIES OK FLARE OK 19.15.10.8

BELLATRIX 28 FEDERAL COM No.002H

A-29-19S-31E

30-015-40332-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant
Non-Compliance?

Corrective Action Due By:

Inspection No.

11/07/2017

Routine/Periodic

Tony Morales

Yes

No

2/10/2018

iTM1731142273

Violations

General Housekeeping (Rule 114)

OK. All Equipment and Location in Good Shape.

PJO. STAINING AROUND WELL

HEAD TANK BATTERIES OK FLARE OK 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 OCIO Discrict 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.