State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary David Catanach Division Director



Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

16-Nov-17

XTO ENERGY, INC

500 W. ILLINOIS, STE 100 MIDLAND TX 79701

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.

		INSPECTIO	N DETAIL	SECTION		
AVALON DELAWARE UNIT Inspection Date Type Inspection		IT No.258 Inspector	Violation?	M-30-20S-28E *Significant Non-Compliance?	30-015-24546-00- Corrective Action Due By:	00 Inspection No.
11/16/2017	Routine/Periodic Violations General Housekeepi		Yes	No	2/19/2018	iTM1732048207
Comments	-	K. All Equipment and Location in 9.15.10.8	1 Good Shape.	PJ. STAINING A	ROUND WELL HEA	ND
AVALON I Inspection Date	DELAWARE UN Type Inspection	IT No.242 Inspector	Violation?	L-30-20S-28E *Significant Non-Compliance?	30-015-24637-00- Corrective Action Due By:	00 Inspection No.
11/16/2017	Routine/Periodi Violations General Housekeep	,	Yes	No	2/19/2018	iTM1732047905
Comments		OK. All Equipment and Location in 9.15.10.8	n Good Shape	. PJ. STAINING A	ROUND WELL HEA	ND

AVALON DELAWARE UNIT		T No.222		F-30-20S-28E	30-015-28658-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.	
11/16/2017	Routine/Periodi	Tony Morales	Yes	No	2/19/2018	iTM1732046610	
	Violations						
Absent Well Identification Signs (Rule 103)							
Comments on Inspection: OK. A		K. All Equipment and Location in	Equipment and Location in Good Shape.		LOCATION SIGN NOT VISIBLE 19.15.16.8		

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.