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



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

14-Dec-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		
NASH UNI Inspection Date	Type Inspection		Inspector	Violation?	G-13-23S-29E *Significant Non-Compliance?	30-015-26992-00- Corrective Action Due By:	Inspection No.
12/14/2017	Routine/Perior Violations General Houseker		Tony Morales	Yes	No	3/19/2018	iTM1734853517
		OK. All Equipm LOCATION 19	ent and Location in 0.15.10.8	Good Shape		FF GREEN POLY O	
NASH UNI Inspection Date	T No.019 Type Inspection		Inspector	Violation?	J-12-23S-29E *Significant Non-Compliance?	30-015-27590-00- Corrective Action Due By:	00 Inspection No.
12/14/2017	Routine/Period Violations General Houseker		Tony Morales	Yes	No	3/19/2018	iTM1734832098
Comments	on Inspection:		ent and Location ir	n Good Shape	, PJ STAINING A	ROUND WELLHEAI	O

NASH UNIT No.023 E-13-23S-29E 30-015-28272-00-00 Inspection *Significant Corrective **Type Inspection** Inspector Violation? Inspection No. Non-Compliance? Date Action Due By: 12/14/2017 Routine/Periodic **Tony Morales** Yes No 3/19/2018 iTM1734853210 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 **NASH UNIT No.038** N-13-23S-29E 30-015-29737-00-00 Inspection *Significant Corrective **Type Inspection** Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 12/14/2017 Routine/Periodic **Tony Morales** Yes No 3/19/2018 iTM1734853881 Violations General Housekeeping (Rule 114) **Comments on Inspection:** PJ. STAINING AROUND WELL HEAD OK. All Equipment and Location in Good Shape. POWER OFF 19.15.10.8

REMUDA BASIN 24 STATE		TE No.001	No.001		30-015-31511-00-00			
Inspection Date	Type Inspection	n Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.		
12/14/2017	Routine/Perio	dic Tony Morales	Yes	No	3/19/2018	iTM1734854066		
	Violations							
	General Housekeeping (Rule 114)							
		OK. All Equipment and Location in STAINING 19.15.10.8	HOLDING TANKS / LOCATION					

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.