State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary Heather Riley Division Director



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

07-May-18

COG OPERATING LLC

One Concho Center 600 W. Illinois Ave Midland TX 79701-9701

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		
WHITE STA Inspection Date	AR FEDERAL Type Inspection		Inspector	Violation?	C-29-17S-29E *Significant Non-Compliance?	30-015-30928-00-0 Corrective Action Due By:	0 Inspection No.
05/07/2018	Routine/Period Violations Absent Well Iden	dic tification Signs (Ru	Tony Morales	Yes	No	8/10/2018	iTM1812750944
Comments of	on Inspection:	OK. All Equipm SIGN 19.15.16		Good Shape	. PJ WRONG OPER	ATOR ON LOCATIO	N
STATE S 19 Inspection Date) Type Inspection	No.010	Inspector	Violation?	O-19-17S-29E *Significant Non-Compliance?	30-015-31108-00-0 Corrective Action Due By:	Inspection No.
05/07/2018	Routine/Perio Violations General Houseke		Tony Morales	Yes	No	8/10/2018	iTM1812747200
Comments	on Inspection:	OK. All Equipn 19.15.10.8	nent and Location in	n Good Shape	e. PJ STAINING AR	OUND WELLHEAD.	

GOLD STAR FEDERAL			No.005		A-30-17S-29E *Significant	30-015-31703-00-00 Corrective	
Inspection Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
5/07/2018	Routine/Period Violations General Housekee		Tony Morales	Yes	No	8/10/2018	iTM1812748225
Comments of		OK. All Equi 19.15.10.8	pment and Location in	Good Shape.	PJ. STAINING ARC	OUND WELLHEAD.	
STATE S 19	No.021				P-19-17S-29E	30-015-32062-00-0	0
Inspection	Type Inspection	1	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
Date)5/07/2018	Routine/Perio		Tony Morales	Yes	No	8/10/2018	iTM1812748569
5/07/2010	Violations General Houseke	eping (Rule 114	ł)				
Comments o	on Inspection:	OK. All Equ 19.15.10.8	ipment and Location in	Good Shape.	PJ. STAINING ARC		
TENNECO STATE		N	No.004		M-20-17S-29E	30-015-32242-00-0 Corrective	(
Inspection Date	Type Inspectio	n	Inspector	Violation?	*Significant Non-Compliance?	Action Due By:	Inspection No.
05/07/2018	Routine/Perio		Tony Morales	Yes	No	8/10/2018	iTM1812750044
	Absent Well Ide	ntification Sign	s (Rule 103)				
Comments	on Inspection:	OK. All Equ VISIBLE 1	ipment and Location in	n Good Shape	. PJ POWER OFF	LOCATION SIGN NO	Т
WHITE ST	AR FEDERA	L No.024			D-29-17S-29E	30-015-32339-00-0	00
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?		Inspection No.
05/07/2018	Routine/Periodic Violations		Tony Morales	Yes	No	8/10/2018	iTM1812750724
	Absent Well Ide						
Comments	General Housek on Inspection:	OK All Ea	uipment and Location i WRONG OPERATOR	n Good Shape R ON LOCAT	. PJO STAINING A ION SIGN 19.15.16.	AROUND WELLHEAD 8)
CONTINENTAL A STATE No.003					C-30-17S-29E *Significant	30-015-34741-00- Corrective	
Inspection Date	Type Inspecti	on	Inspector	Violation?	Non-Compliance?		Inspection No.
05/07/2018	Routine/Per	iodic	Tony Morales	Yes	No	8/10/2018	iTM181273293
	Violations General House	keeping (Rule 1	14)				
Comments	on Inspection:	OK. All Eq 19.15.10.8	uipment and Location	in Good Shap		ROUND WELLHEAD	00
CONTINENTAL A STATE No.022					E-30-17S-29E *Significant	30-015-39776-00- Corrective	
Inspection Date	Type Inspect	ion	Inspector	Violation?		? Action Due By:	Inspection No.
05/07/2018			Tony Morales	Yes	No	8/10/2018	iTM181273393
Comment	General House s on Inspection:	OK. All Ed 19.15.10.8	quipment and Location	in Good Shap	e. PJ STAINING A	ROUND WELLHEAD	

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 Distri 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.