State Of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Sarah Cottrell Propst

Cabinet Secretary

Todd E. Leahy, JD, PhD

Deputy Cabinet Secretary

Adrienne Sandoval

Division Director

"Response Required - Deadline Enclosed"

Field Inspection Program
"Preserving the Integrity of Our Environment"



LETTER OF VIOLATION - Field Inspection

10-Mar-20

ENDEAVOR ENERGY RESOURCES, LP

110 North Marienfeld Suite 200 Midland, TX 79701

Dear Operator:

The following inspection indicates that the well, equipment, location or operational status of the well 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 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.

INSPECTION DETAIL SECTION

[30-005-20864] CONOCO #004

OGRID: 190595

O-15-08S-33E 910 FSL 1980 FEL

Inspection Date

Type Inspection

Inspector

Corrective Action Due By

Inspection No.

3/9/2020

Routine Inspection

[CZH] Chad Hensley

6/7/2020

iCZH206928830

Violations:

Rule

19.15.16.10 Casing and Tubing Requirements

Violation

Operating without Mechanical Integrity

Comment:

MECHANICAL INTEGRITY - OIL IN CELLAR APPEARS TO BE LEAKING FROM CASING.

19.15.10.8 Safety Procedures for Drilling and Production

General Housekeeping Required

Comment:

ALL OLD EQUIPMENT MUST BE REMOVED FROM 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 Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,

Chad Hensley

COMPLIANCE OFFICER

Hobbs OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

Oil Conservation Division * 1625 N. French Drive * Hobbs, NM 88240 Phone: 575-393-6161 * Fax: 575-393-0720 * www.emard.state.nm.us