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"

09-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.

		INSPECTIO	V DETAIL	SECTION		
JONES FEI Inspection Date	DERAL B No.003 Type Inspection	Inspector	Violation?	P-23-19S-31E *Significant Non-Compliance?	30-015-10394-00- Corrective Action Due By:	00 Inspection No.
11/09/2017	Routine/Periodic Violations General Housekeeping ()	Tony Morales	Yes	No	2/12/2018	iTM1731343605
Comments		All Equipment and Location in D 19.15.10.8	Good Shape	. PJO. STAININ	IG AROUND WELL	
REGULUS Inspection Date	26 FEDERAL No.00 Type Inspection)4H Inspector	Violation?	P-26-19S-31E *Significant Non-Compliance?	30-015-40041-00- Corrective Action Due By:	00 Inspection No.
11/09/2017	Routine/Periodic Violations General Housekeeping (Tony Morales Rule 114)	Yes	No	2/12/2018	iTM1731341494
Comments		All Equipment and Location in D TANK BATTERIES OK C			NG AROUND WELL 5.10.8	

Inspection	26 FEDERAL				A-26-19S-31E *Significant	30-015-40098-00-0 Corrective	
Date 11/09/2017	Type Inspection Routine/Perio		Inspector Tony Morales	Violation? Yes	Non-Compliance? No	Action Due By: 2/12/2018	Inspection No. iTM1731343234
	Violations General Houseke	eping (Rule 114)					
Comments o	on Inspection:	OK. All Equipr	ment and Location ir UBING ON LOCAT			IG AROUND WELL LARE OK 19.15.10.8	
SPICA 25 F	EDERAL No.	001H		<u></u>	A-26-19S-31E	30-015-40099-00-0	90
Inspection Date	Type Inspection	1	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
1/09/2017	Routine/Peric	odic	Tony Morales	Yes	No	2/12/2018	iTM173134309
	Violations						
		eping (Rule 114)					
Comments o	on Inspection:		ment and Location ir UBING ON LOCA			IG AROUND WELL LARE OK 19.15.10.8	
	EDERAL No.	004H			M-25-19S-31E	30-015-40105-00-0	00
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
1/09/2017	Routine/Perio		Tony Morales	Yes	No	2/12/2018	iTM173134135
	Violations General Houseke	eping (Rule 114)	5				
Comments of	on Inspection:	1 6 1	ment and Location in 10.8	n Good Shape.	PJO. STAININ	G AROUND WELL	
REGULUS	26 FEDERAL	No.002H			H-26-19S-31E	30-015-40219-00-0)0
Inspection					*Significant	Corrective	_
	Type Inspection	n	Inspector	Violation?		Antion Due Des	Inspection No.
Date	Type Inspection Routine/Peric		Inspector Tony Morales	Violation? Yes	Non-Compliance? No	Action Due By: 2/12/2018	Inspection No. iTM173134272
Date	Routine/Peric Violations	odic	•		Non-Compliance?	·	•
Date 11/09/2017	Routine/Peric Violations	odic ceping (Rule 114)	Tony Morales ment and Location in	Yes	Non-Compliance? No	·	•
Date 11/09/2017 Comments o REGULUS	Routine/Peric Violations General Housek	odic eeping (Rule 114) OK. All Equipt HEAD 19.15.	Tony Morales ment and Location in	Yes	Non-Compliance? No PJO. STAININ I-26-19S-31E	2/12/2018 SG AROUND WELL 30-015-40221-00-0	iTM173134272
Date 11/09/2017 Comments o REGULUS Inspection	Routine/Peric Violations General Houseko on Inspection: 26 FEDERAL	odic eeping (Rule 114) OK. All Equipt HEAD 19.15. No.003H	Tony Morales ment and Location in .10.8	Yes	Non-Compliance? No PJO. STAININ I-26-19S-31E *Significant	2/12/2018 NG AROUND WELL 30-015-40221-00- (Corrective	iTM173134272
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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,

69, Q 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.