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"

19-Jan-18

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.

TODD 22 A	EEDED AT N.		INSPECTIO		A-23-23S-31E	30-015-31881-00-	00
I ODD 23 A Inspection Date	FEDERAL No		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/19/2018	Routine/Period Violations General Housekee		Tony Morales	Yes	No	4/24/2018	iTM1801943497
Comments	on Inspection:	OK. All Equipm HEAD. 19.15.1	nent and Location in 0.8	Good Shape	PJO. STAININ	NG AROUND WELL	
Inspection	FEDERAL No		Inspector	Violation?	O-14-23S-31E *Significant	30-015-32153-00- Corrective	00 Inspection No.
Date	rype mapeeuon			violation.	Non-Computance:	Action Due by:	mspection 110.
01/19/2018	Routine/Period Violations General Housekee	dic	Tony Morales	Yes	Non-Compliance? No	Action Due By: 4/24/2018	iTM1801943061

INCRECTION DETAIL CECTION

TODD 13 L FEDERAL No.012

L-13-23S-31E

30-015-32624-00-00

Inspection

01/19/2018

Type Inspection Date

Inspector

*Significant Violation? Non-Compliance?

Corrective Action Due By:

Inspection No.

Violations

Routine/Periodic

Tony Morales

Yes

No

4/24/2018

iTM1801940155

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape.

PJ HEAD OFF STAINING AROUND

WELLHEAD. CONTAMINATED MATERIAL NEXT TO WELLHEAD 19.15.10.8

TODD 14 H FEDERAL No.008

H-14-23S-31E

30-015-34303-00-00

Inspection Date

Type Inspection

Inspector Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

01/19/2018

Routine/Periodic

Tony Morales

Yes

No

4/24/2018

iTM1801940653

Violations

Absent Well Identification Signs (Rule 103)

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape.

PJ. STAINING AROUND WELL HEAD.

19.15.10.8 API # 33375 ON LOCATIONG SIGN IS INCORRECT 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.