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.

INSPECTION DETAIL SECTION

TODD 23 A FEDERAL No.029 Inspection Date Type Inspection			Violation?	A-23-23S-31E *Significant Non-Compliance?	30-015-31881-00- Corrective Action Due By:	DO Inspection No.
		•		-		-
01/19/2018	Routine/Perio	dic Tony Morales	Yes	No	4/24/2018	iTM1801943497
	Violations					
	General Houseke	eping (Rule 114)				
Comments	on Inspection:	OK. All Equipment and Location HEAD. 19.15.10.8	in Good Shape.	PJO. STAININ	IG AROUND WELL	
TODD 14 O FEDERAL No.015				O-14-23S-31E 30-015-32153-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/19/2018	Routine/Perio	dic Tony Morales	Yes	No	4/24/2018	iTM1801943061
	Violations	-				
	General Houseke	eping (Rule 114)				
Comments	on Inspection:	OK. All Equipment and Location 19.15.10.8	in Good Shape.	PJ. STAININC	G AROUND WELL H	EAD.

TODD 13 L Inspection Date	FEDERAL N Type Inspection		Inspector	Violation?	L-13-23S-31E *Significant Non-Compliance?	30-015-32624-00-00 Corrective Action Due By:) Inspection No.
01/19/2018	Routine/Peric Violations General Houseke	dic eping (Rule 114)	Tony Morales	Yes	No	4/24/2018	iTM1801940155
Comments	on Inspection:		nent and Location in CONTAMINATED		PJ HEAD OFF NEXT TO WELLHE	STAINING AROUND AD 19.15.10.8	
TODD 14 H	FEDERAL N	0.008			H-14-23S-31E	30-015-34303-00-0)
Inspection Date	Type Inspectio	1	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/19/2018		dic atification Signs (R eping (Rule 114)	Tony Morales ule 103)	Yes	No	4/24/2018	iTM1801940653
- 11		nent and Location in API # 33375 ON LO	•	PJ. STAINING GN IS INCORRECT	G AROUND WELL HE 19.15.16.8	AD.	

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, 10 0\D) 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.