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

<u>"Response Required - Deadline</u> <u>Enclosed"</u>

Field Inspection Program "Preserving the Integrity of Our Environment"



LETTER OF VIOLATION - Field Inspection

24-Nov-20

XTO ENERGY, INC 6401 Holiday Hill Road Building #5 Midland, TX 79707

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

[30-025-04649] EUNICE MONUMENT SOUTH UNIT #360			OGRID: 5380	D-15-21S-36E 660 FNL 660 FWL
Inspection Date 11/24/2020	Type Inspection Routine Inspection	Inspector [GR] Gary Robinson	Corrective Action Due By 2/22/2021	Inspection No. iGR2032932883
Violations:				
Rule		Violation		
19.15 Oil and Gas		Mechanical Integrity Failure Recorded		
Comment: Auto Generated Vi	olation - MIT Failure exit	s.		
19.15.26 Injection		Detection of Deficient Mechanical Integrity		
Comment: Received and enter	ed operator reported faile	d BHT and C-103. Failed	casing on BHT form.	

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,

Lary Kobinson

https://intranetapps.emnrd.state.nm.us/OCD/InspectionsManagement/FieldCompliance/PrintLOV/cGR2032945838 [11/24/2020 12:44:58 PM] and the second state of the second

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.emnrd.state.nm.us