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EMNRD's Oil Conservation Division Settles Civil Penalties with XTO Permian Operating, LLC

Penalties include operating under expired permits and not meeting the written operational and reporting conditions of approval at injection wells

Santa Fe, NM – Today the Energy, Minerals and Natural Resources Department's (EMNRD) Oil Conservation Division (OCD) announces that it has settled four notices of violation (NOV) issued to XTO Permian Operating, LLC (XTO). The stipulated final order also addresses the proposed administrative civil penalties associated with those violations, which were resolved by a payment of \$1.77 million by XTO that will be deposited in the state's general fund.

The NOVs in question were issued in February 2022 ([link here](#)) and included failure to comply with the operational and reporting conditions of approval at four Underground Injection Control (UIC) class II wells and other related violations. Through the informal resolution process XTO undertook a voluntary audit and inspection of all its injection sites within New Mexico, including those not covered by the NOVs, wherein additional violations were subsequently discovered and self-disclosed. Those self-disclosed violations include similar infractions on operational and reporting conditions of approval at those sites.

Failure to comply with the required terms, conditions, and provisions of a permit, administrative order, authorization, or approval undermines the OCD's ability to ensure that SWDs are properly constructed and may put human health and the environment at risk.

XTO has been cooperative throughout compliance negotiations, quickly correcting the violations and willingly undertaking an audit of the remainder of its injection facilities to identify and address any other issues at its facilities. The initial violations as well as subsequent voluntary audit highlighted some gaps in XTO's regulatory process which the company has subsequently updated to ensure these issues do not reoccur in the future.

"Thanks to the good work of our staff and XTO's collaborative and proactive approach, the OCD has been able to quickly bring XTO's operations back into compliance with the UIC regulation

requirements,” said OCD Director Adrienne Sandoval. “Every operator, no matter the size, is subject to the same requirements.”

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