

NEW MEXICO ENERGY, MINERALS NATURAL RESOURCES DEPARTMENT

SUSANA MARTINEZ

Governor

John H. Bemis Cabinet Secretary Jami Bailey

Director

Oil Conservation Division

Response Required - Deadline Enclosed

Field Inspection Program

HOBBS OCD "Preserving the Integrity of Our Environment"

01-Feb-13

FEB 0 4 2013

APACHE CORP

303 VETERANS AIRPARK LANE SUITE 3000 MIDLAND TX 79705

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

SOUTH EUNICE SEVEN RIVERS QUEEN UNIT No.501 Inspection

L-26-22S-36E 30-025-09032-00-00

Type Inspection Date

Inspector

*Significant Violation?

Corrective

01/31/2013

Routine/Periodic

Non-Compliance?

Action Due By:

Violations

Mark Whitaker

Yes

No

5/6/2013

Inspection No. iMAW1303139309

Absent Well Identification Signs (Rule 103)

Comments on Inspection:

No well Sign (Rule 19.15.16.8). NEED TO INSTALL WELL SIGN. 1st notice.

SOUTH EUNICE SEVEN RIVERS QUEEN UNIT No.504

K-26-22S-36E

30-025-09035-00-00 Corrective

Inspection Date

Type Inspection

Inspector

Mark Whitaker

Violation? Yes

*Significant Non-Compliance? No

Action Due By:

5/6/2013

Inspection No. iMAW1303140890

01/31/2013 Routine/Periodic

Violations Absent Well Identification Signs (Rule 103)

Comments on Inspection:

No well Sign (Rule 19.15.16.8). NEED TO INSTALL WELL SIGN. 1st notice.

SOUTH EUNICE SEVEN RIVERS QUEEN UNIT No.401 O-26-22S-36E 30-025-09036-00-00 Inspection *Significant Corrective Type Inspection Violation? Inspection No. Inspector Non-Compliance? Date Action Due By: 01/31/2013 Routine/Periodic Mark Whitaker Yes No 5/6/2013 iMAW1303141299 Violations Absent Well Identification Signs (Rule 103) Comments on Inspection: No well Sign (Rule 19.15.16.8). NEED TO INSTALL WELL SIGN. 1st notice. SOUTH EUNICE SEVEN RIVERS QUEEN UNIT No.202 E-26-22S-36E 30-025-09048-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: iMAW1303140300 01/31/2013 Routine/Periodic Mark Whitaker Yes No 5/6/2013 Violations Absent Well Identification Signs (Rule 103) Comments on Inspection: No well Sign (Rule 19.15.16.8). NEED TO INSTALL WELL SIGN. 1st notice. SOUTH EUNICE SEVEN RIVERS QUEEN UNIT No.407 30-025-09164-00-00 J-35-22S-36E Inspection *Significant Corrective Inspection No. Type Inspection Inspector Violation? Date Non-Compliance? Action Due By: iMAW1303142921 01/31/2013 Routine/Periodic Mark Whitaker Yes No 5/6/2013 Violations Absent Well Identification Signs (Rule 103) **Comments on Inspection:** No well Sign (Rule 19.15.16.8). NEED TO INSTALL WELL SIGN. 1st notice. SOUTH EUNICE SEVEN RIVERS QUEEN UNIT No.436 I-35-22S-36E 30-025-29341-00-00

Inspection

nspection Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance? Corrective

Inspection No.

01/31/2013

Routine/Periodic

Mark Whitaker

Yes

No

Action Due By: 5/6/2013

iMAW1303143829

Violations

Absent Well Identification Signs (Rule 103)

Comments on Inspection:

Well sign laying on ground. Please post properly.

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,

COMPLIANCE OFFICER

Hobbs 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.

EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



APACHE CORP 303 VETERANS AIRPARK LANE SUITE 3000 MIDLAND, TX 79705