

State of New Mexico  
Energy, Minerals and Natural Resources Department

Susana Martinez  
Governor

David Martin  
Cabinet Secretary

Brett F. Woods, Ph.D.  
Deputy Cabinet Secretary

HOBBS OCD  
JAN 16 2014  
RECEIVED

Jami Bailey, Division Director  
Oil Conservation Division



**\*Response Required - Deadline**

*Field Inspection Program*  
*"Preserving the Integrity of Our Environment"*

16-Jan-14

CHEVRON MIDCONTINENT L.P.  
ATTN: REGULATION & COMPLIANCE  
15 SMITH ROAD  
MIDLAND, TX 79705

**LETTER OF VIOLATION -**

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**

**LOVINGTON SAN ANDRES UNIT No.011**

F-36-16S-36E

**30-025-03788-00-**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/15/2014	Bradenhead	Sylvia Dickey	Yes	No	4/20/2014	

iSAD1401555636

Comments on Inspection: \*\*\*OVER PRESSURE LIMIT\*\*\*; PRESSURE LIMIT REPORTED PER BHT 10/14/2013 IS 1800#; APPROVED PRESSURE LIMIT IS 1740 PER INCREASE 2/95; \*\*\*OPERATOR IN VIOLATION OF NMOCD RULE 19.15.26.10\*\*\*

**LOVINGTON PADDOCK UNIT No.034**

I-31-16S-37E

**30-025-05375-00-**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/15/2014	Bradenhead	Sylvia Dickey	Yes	No	4/20/2014	

iSAD1401555075

Comments on Inspection: \*\*\*OVER PRESSURE LIMIT\*\*\*; REPORTED INJECTION PRESSURE 1690 PSI PER BHT 10/17/2013; WFX 478 APPROVED PRESSURE LIMIT IS 1220 PSI. \*\*OPERATOR IN VIOLATION OF NMOCD RULE 19.15.26.10\*\*

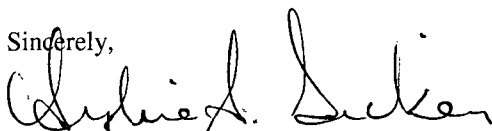
**LOVINGTON PADDOCK UNIT No.010**

<b>Inspection</b>				B-31-16S-37E	<b>30-025-05377-00-</b>	
<b>Date</b>	<b>Type Inspection</b>	<b>Inspector</b>	<b>Violation?</b>	<b>*Significant Non-Compliance?</b>	<b>Corrective Action Due By:</b>	<b>Inspection No.</b>
01/15/2014	Pressure Test	Sylvia Dickey	Yes	No	4/20/2014	
iSAD1401554378						

**Comments on Inspection:** OVER PRESSURE LIMIT PER BHT 10/17/2013; APPROVED PRESSURE LIMIT 1620 PSI; \*\*OPERATOR IN VIOLATION OF NMOCD RULE 19.15.26.10\*\*\*

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,



Hobbs OCD District Office

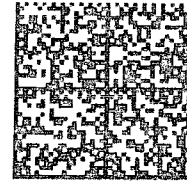
**COMPLIANCE OFFICER**

**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



HASLER 015H14150977  
\$0.46  
01/16/14  
Mailed From 88240  
US POSTAGE

CHEVRON MIDCONTINENT L.P.  
ATTN: REGULATION & COMPLIANCE  
15 SMITH ROAD  
MIDLAND, TX 79705