State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary

Tony Delfin Deputy Cabinet Secretary David Catanach, Director Oil Conservation Division



Response Required - Deadline Enclosed

Underground Injection Control Program "Protecting Our Underground Sources of Drinking Water"

25-Oct-16

APACHE CORP

303 Veterans Airpark Lane Suite 3000 Midland TX 79705-9705

LETTER OF VIOLATION and SHUT-IN DIRECTIVE **Failed Mechanical Integrity Test**

FAIL CAUSE:

Dear Operator:

Test Type:

Bradenhead Test

Comments on MIT: Operator reported BHT-FAILURE Rule 19.15.26.11

The following test(s) were performed on the listed dates on the following well(s) shown below in the test detail section.

The test(s) indicates that the well or wells failed to meet mechanical integrity standards of the New Mexico Oil Conservation Division. To comply with guidelines established by the U.S. Environmental Protection Agency, the well(s) must be shut-in immediately until it is successfully repaired. The test detail section which follows indicates preliminary findings and/or probable causes of the failure. This determination is based on a test of your well or facility by an inspector employed by the Oil Conservation Division. Additional testing during the repair operation may be necessary to properly identify the nature of the well failure.

Please notify the proper district office of the Division at least 48 hours prior to the date and time that the well(s) will be retested so the test may be witnessed by a field representative.

NORTHEAST DRINKARD UNIT No.525 30-025-06466-00-00 Active Injection - (All Types) N-10-21S-37E **Test Date:** 10/25/2016 **Permitted Injection PSI:** Actual PSI: Test Reason: Test Result: **Repair Due:** 1/28/2017 Annual IMIT E FAIL TYPE: Other Internal Failure

MECHANICAL INTEGRITY TEST DETAIL SECTION