

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



**"Response Required - Deadline
Enclosed"**

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

14-Jun-19

CHEVRON U S A INC
6301 Deauville Blvd
Midland, TX 79706

LETTER OF VIOLATION - Field Inspection

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

[30-025-38637] CENTRAL VACUUM UNIT #455

OGRID: 4323

D-36-17S-34E 1310 FNL 660 FWL

| | | | | |
|------------------------|------------------------|--------------------|---------------------------------|-----------------------|
| Inspection Date | Type Inspection | Inspector | Corrective Action Due By | Inspection No. |
| 6/14/2019 | Routine Inspection | [GR] Gary Robinson | 9/12/2019 | iGR1916529782 |

Violations:

Rule

19.15.26 Injection

Comment:

BHT FAILED, RULE: 19.15.26.11, PROD CASING AND TUBING EQUILIZED PRESSURE, WELL TO BE SHUT IN.

19.15 Oil and Gas

Comment:

Auto Generated Violation - MIT Failure exits.

Violation

Detection of Deficient Mechanical Integrity

Mechanical Integrity Failure Recorded

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

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

**EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240**

**CHEVRON USA INC
6301 DEAUVILLE BLVD
MIDLAND, TX 79706**



**NEOPOST
FIRST-CLASS MAIL**

\$000.50⁰

06/14/2019 ZIP 88240
042L14818194

US POSTAGE

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division Hobbs District Office

* Failure

BRADENHEAD TEST REPORT

| | | |
|--|--|-----------------------------------|
| Operator Name <i>Chevron Midcontinent, LP</i> | | API Number <i>30-025-38637</i> |
| Property Name <i>Central Vacuum Unit</i> | | Well No. <i>455</i> |

Surface Location

| | | | | | | | | |
|-----------------|----------------------|------------------------|---------------------|--------------------------|----------------------|-------------------------|----------------------|----------------------|
| Lot <i>D</i> | Section <i>36</i> | Township <i>17S</i> | Range <i>34E</i> | Feet from <i>1310</i> | N/S Line <i>N</i> | Feet From <i>660</i> | E/W Line <i>W</i> | County <i>Lea</i> |
|-----------------|----------------------|------------------------|---------------------|--------------------------|----------------------|-------------------------|----------------------|----------------------|

Well Status

| | | | | |
|------------------------------|----------------------------|------------------------------|---------------------|-----------------------|
| TA'D Well YES <i>(NO)</i> | SHUT-IN YES <i>(NO)</i> | INJECTOR <i>(INJ)</i> SWD | PRODUCER OIL GAS | DATE <i>5-2-19</i> |
|------------------------------|----------------------------|------------------------------|---------------------|-----------------------|

OBSERVED DATA

| | (A) Surf-Interm | (B) Interm(1) | (C) Interm(2) | (D) Prod Casing | (E) Tubing |
|----------------------|-----------------|---------------|---------------|-----------------|--------------------|
| Pressure | <i>0</i> | <i>900</i> | | <i>0</i> | <i>1845</i> |
| Flow Characteristics | | | | | |
| Puff | <i>Y/N</i> | <i>Y/N</i> | <i>Y/N</i> | <i>Y/N</i> | CO2 _____ |
| Steady Flow | <i>Y/N</i> | <i>Y/N</i> | <i>Y/N</i> | <i>Y/N</i> | WTR _____ |
| Surges | <i>Y/N</i> | <i>Y/N</i> | <i>Y/N</i> | <i>Y/N</i> | GAS _____ |
| Down to nothing | <i>Y/N</i> | <i>Y/N</i> | <i>Y/N</i> | <i>Y/N</i> | If applicable type |
| Gas or Oil | <i>Y/N</i> | <i>Y/N</i> | <i>Y/N</i> | <i>Y/N</i> | fluid injected for |
| Water | <i>Y/N</i> | <i>Y/N</i> | <i>Y/N</i> | <i>Y/N</i> | Waterflood |

Remarks: Please state for each string (A,B,C,D,E) pertinent information regarding bleed down or continuous build up if applies.

Failed - Built up to 900 lbs on Int. casing.

| | |
|-------------------------------|---------------------------------------|
| Signature: <i>[Signature]</i> | OIL CONSERVATION DIVISION |
| Printed name: | Entered into RBDMS <i>[Signature]</i> |
| Title: | Re-test |
| E-mail Address: | |
| Date: <i>5-2-19</i> | Phone: |
| | Witness: |