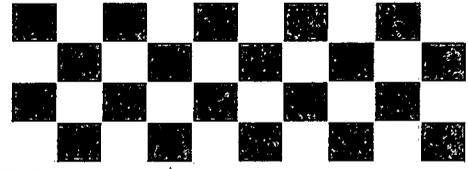
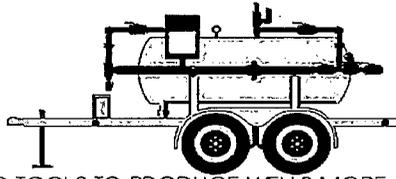
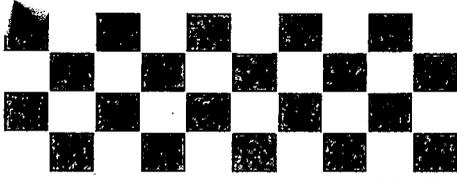


UIC - 1 - 8

**MECHANICAL
INTEGRITY TEST
(MITs)**

METERING & TESTING SERVICES, INC.



SOPHISTICATED TOOLS TO PRODUCE WELLS MORE EFFICIENTLY

Well Checkers for the Permian Basin

METERING & TESTING
Certification

11300 West Interstate 20 East
Odessa, TX 79765
(432)563-1445

Company:	Sub-Surface Tech.	Lease:	N/A	Date:	10/14/2011
County:	Midland	State:	TX	Location:	N/A
Purchaser:	N/A	Crystal Gauge SER:	442385	Station Number:	N/A
Make of Meter:	Barton	Serial Number:	259-920	Gas Gravity:	N/A
Differential Range:	N/A	Static Range:	0-1000 PSI	Temperature Range:	N/A
Average Differential:	N/A	Average Static:	N/A	Average Temperature:	N/A
Line Size:	N/A	Upstream:	N/A	Downstream:	N/A
Orifice Size:	N/A	Orifice Condition:	N/A	Seal Condition:	N/A
Line or Pipe Taps:	N/A	Vanes:	N/A	Calculated Beta Ratio:	N/A
Pen Arc:	OK	Pen Drag:	OK	Clock Rotation:	Programmable

Calibration Data

Differential		
Found	C/G	Left
NA	NA	NA

Static		
Found	C/G	Left
0	0	0
100	100	100
300	300	300
500	500	500
700	700	700
900	900	900
1000	1000	1000

Temperature		
Found	Therm	Left
NA	NA	NA

Meter(was) in calabration as-found

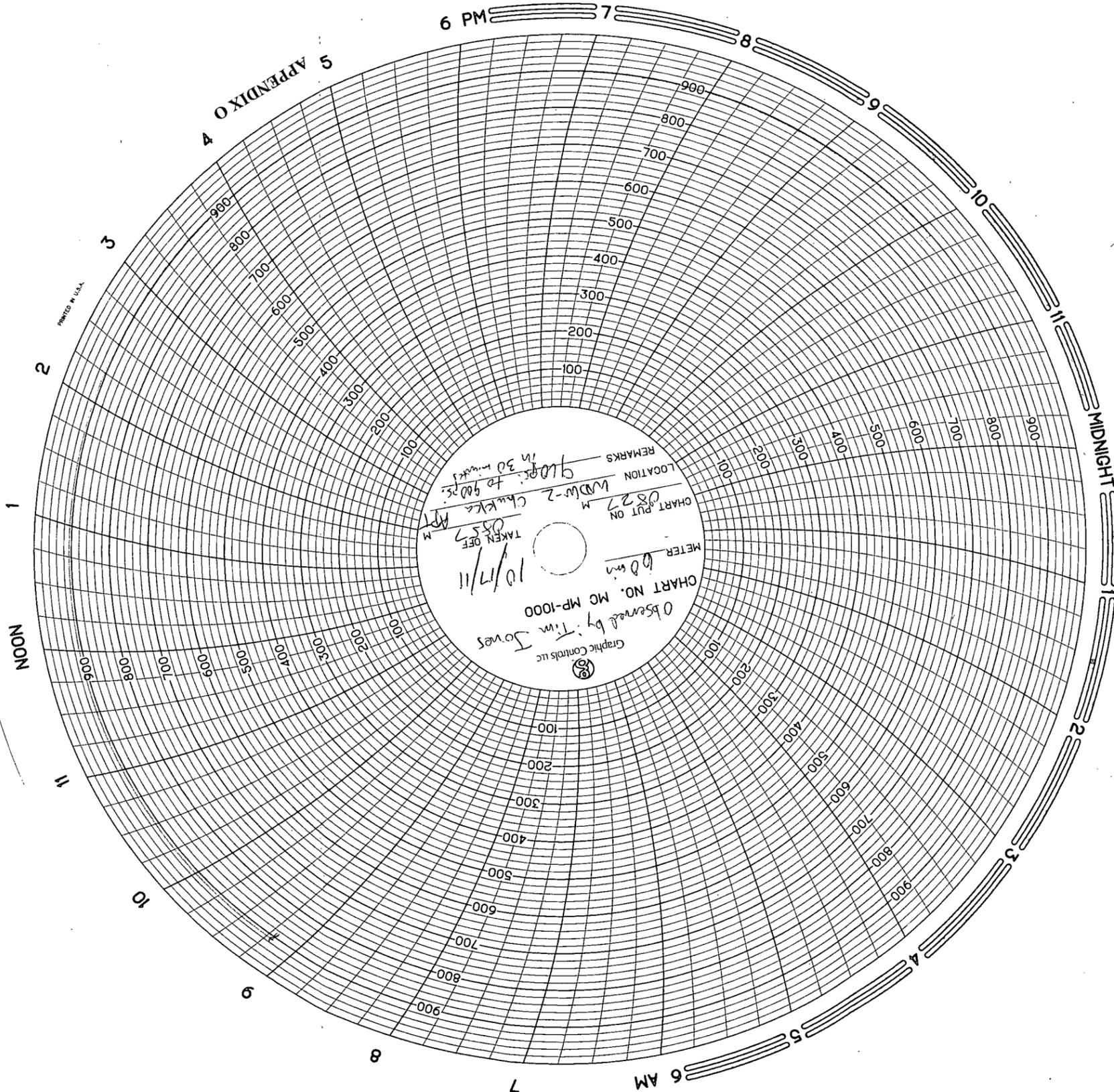
Tester: Tester: D. Franklin

Witness: Witness

Witness: Witness:

APPENDIX O

PRINTED IN U.S.A.



Graphic Controls LLC
 Observed by: Tim Joves
 CHART NO. MC MP-1000
 METER 08 m
 CHART PUT ON 08:27 M
 TAKEN OFF 05:57 M
 LOCATION WDW-2 Check
 REMARKS 9:00 to 9:00 p.m. in 30 min

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Thursday, August 02, 2012 8:06 AM
To: pthompson@merrion.bz; Holder, Mike (Mike.Holder@hollyfrontier.com); Combs, Robert (Robert.Combs@hollyfrontier.com); Schmaltz, Randy (Randy.Schmaltz@wnr.com); Cheryl.Johnson@wnr.com
Cc: Sanchez, Daniel J., EMNRD; VonGonten, Glenn, EMNRD
Subject: UIC Class I (NH) Injection Well Operators (Annual MIT Reminder) Due on/or before September 30, 2012

Dear Sir or Madam:

It is that time of year again to remind operators that their annual MIT for this season must be completed by 9/30/2012. The list of operator names with associated UIC Class I (non-hazardous) Injection Wells are provided above.

Operators are aware of the MIT (30 min @ 300 psig or more MIT with Bradenhead) requirement(s) that are typically run with the Fall-Off Test (FOT). The OCD is currently evaluating the FOT frequency requirement at OCD UIC Class I Facilities in New Mexico and until further notice either specified in a discharge permit renewal and/or via communication, you will know when a FOT is required for your well soon.

Please contact me at (505) 476-3490 on or before June 30, 2012 to schedule your MIT date and time. I will coordinate with the District Staff to finalize the MIT date and time so that an OCD District Office inspector may be present to witness the MIT. Thank you for your cooperation in this matter.

File: UICI- 5, 8, 8-0, 8-1 & 9

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Department
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Drive, Santa Fe, New Mexico 87505
Office: (505) 476-3490
E-mail: CarlJ.Chavez@State.NM.US
Website: <http://www.emnrd.state.nm.us/ocd/>

“Why Not Prevent Pollution; Minimize Waste; Reduce the Cost of Operations; & Move Forward With the Rest of the Nation?” To see how, please go to: “Pollution Prevention & Waste Minimization” at <http://www.emnrd.state.nm.us/ocd/environmental.htm#environmental>

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Friday, October 14, 2011 7:52 AM
To: 'Moore, Darrell'
Cc: Sanchez, Daniel J., EMNRD; Dade, Randy, EMNRD
Subject: Chukka Well (API# 30-015-20894) UICI-008 WDW-2 Sept. 26, 2011 MIT

Darrell:

Good morning. The OCD received the letter to you from Tim Jones (Subsurface Technology) dated October 5, 2011 with text indicating that an annulus pressure MIT was performed on September 26, 2011 for the above subject well and since I can find no file in our RBDMS System, it appears that the test was not witness by the OCD.

Please submit the original pressure chart for the test with calibration certificate for the chart recorder to me by COB Wednesday, October 19, 2011. I am completing the EPA Quarterly Reports and want to make sure we include this well for the reporting period. Also, whenever MITs are performed on wells, the OCD (Santa Fe and District) must be notified in order to be given the opportunity to witness the test.

Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3490
Fax: (505) 476-3462

E-mail: CarlJ.Chavez@state.nm.us

Website: <http://www.emnrd.state.nm.us/ocd/>

"Why not Prevent Pollution; Minimize Waste; Reduce the Cost of Operations; & Move Forward with the Rest of the Nation?" To see how, go to "Pollution Prevention & Waste Minimization" at: <http://www.emnrd.state.nm.us/ocd/environmental.htm#environmental>



October 5, 2011

Mr. Darrell Moore
Navajo Refining Company
P.O. Box 159
Highway 82 East
Artesia, New Mexico 88211

RE: Chukka WDW-2 Annulus Pressure Test (APT) Results
Subsurface Project Number: 70A6645
Test Date: September 26, 2011

Darrell,

A chart recorder was rigged up to the annulus on the wellhead of Chukka WDW-2. The lines from the wellhead to the annulus pumps were closed off at the wellhead and the annulus pumps were turned off. The chart recorder was set to record for 60 minutes. 12 hours on the chart would correspond to a 30-minute test.

The annulus pressure test was started at 1555 hours. This time corresponds with the "1 AM" curve on the attached chart. At 1555 hours, the annulus pressure was approximately 655 psig. At 1625 hours, the annulus pressure was approximately 643 psig. This time corresponds with the "1 PM" curve on the attached chart. The annulus pressure drop was 12 psig or 1.83%. Therefore, Chukka WDW-2 demonstrated mechanical integrity between the casing-tubing annulus.

Sincerely,

A handwritten signature in cursive script that reads "Tim Jones".

Tim Jones
Project Engineer
Subsurface Technology

TJ/bl

Enclosures

T. Walter Cook N.M. PE 20219 Confirmation Attached

**ANNULUS PRESSURE TEST OF NAVAJO REFINING WASTE
DISPOSAL WELL 2 (WDW-2 CHUKKA)**

**NAVAJO REFINING COMPANY
ARTESIA, NEW MEXICO
PROJECT NO. 70A6645**

**SUBMITTED:
SEPTEMBER 2011**

**SUBSURFACE TECHNOLOGY, INC.
6925 PORTWEST DR., STE. 110
HOUSTON, TEXAS 77024
pfh@subsurfacegroup.com**

To whom it may concern:

I Thane Walter Cook, Jr PE certify that the engineering materials contained herein have been prepared by personnel under my supervision. I have met the requirements of NMSA 1978 61-23-3 (definition of responsible charge) with respect to these materials. I have personally reviewed the content and made any calculations and changes needed.



Thaine W. Cook, Jr. PE

August 26, 2011

New Mexico PE 20219

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Thursday, August 12, 2010 1:55 PM
To: 'Moore, Darrell'; Dade, Randy, EMNRD
Cc: Lackey, Johnny
Subject: RE: Mechanical Integrity Tests

Darrell:

OCD confirms that the annual MITs performed on WDW-1 (UICI-8) and WDW-2 (UICI-8-1) passed.

Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3490
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

From: Moore, Darrell [mailto:Darrell.Moore@hollycorp.com]
Sent: Thursday, August 12, 2010 10:39 AM
To: Chavez, Carl J, EMNRD; Dade, Randy, EMNRD
Cc: Lackey, Johnny
Subject: MIT's

Carl

Attached, please find the charts for the MIT's that were performed on our Injection wells WDW-1 and WDW-2 today. Both wells passed the Mechanical Integrity Tests with no drop off in pressure. As you know, the MIT on WDW-3 was performed earlier in the year and was submitted to OCD. In addition, there was no pressure on either of the well's bradenhead. If there are any questions concerning this submission, please call me or email me. Thank you.

Darrell Moore
Environmental Manager for Water and Waste
Navajo Refining Company, LLC
Phone Number 575-746-5281
Cell Number 575-703-5058
Fax Number 575-746-5451

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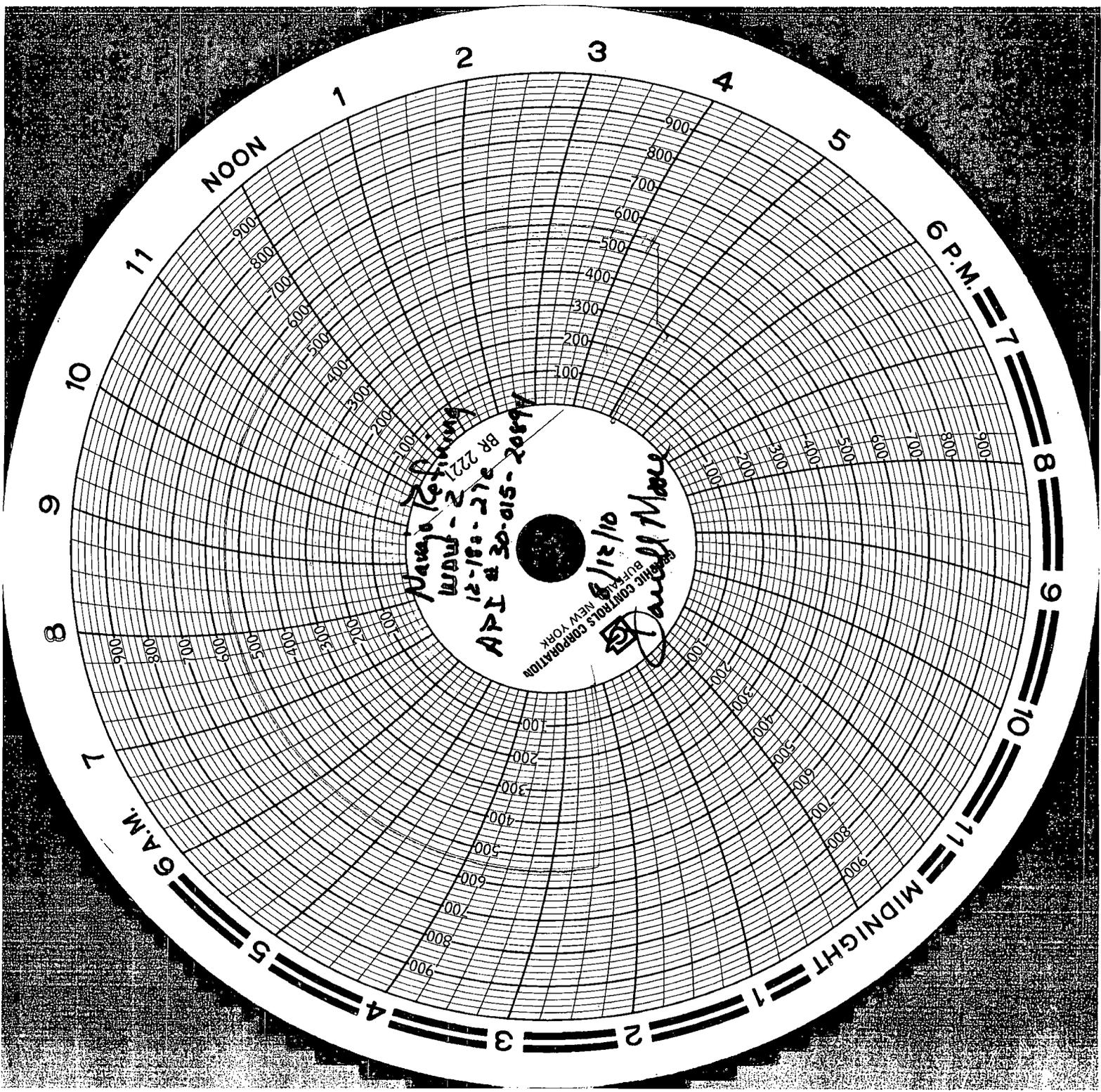
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Navajo Refining
Wauw - 2
APR 12-18 1918 - 27c
APR 18 30-015-2069
BR 222
6/12/10
Carroll Moore

GRAPHIC CONTROLS CORPORATION
BIF-4-10
NEW YORK

Chavez, Carl J, EMNRD

From: Moore, Darrell [Darrell.Moore@hollycorp.com]
Sent: Monday, August 09, 2010 8:58 AM
To: Chavez, Carl J, EMNRD; Dade, Randy, EMNRD
Cc: Lackey, Johnny
Subject: MITs

On Thursday, August 12, 2010 beginning at 8 am, we will be running the MITs on our two remaining wells WDW-1 and WDW-2. As you know, we performed the MIT on WDW-3 earlier in the year. If OCD wishes to witness, we would be glad to have you.

Darrell Moore
Environmental Manager for Water and Waste
Navajo Refining Company, LLC
Phone Number 575-746-5281
Cell Number 575-703-5058
Fax Number 575-746-5451

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Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Tuesday, August 03, 2010 5:53 AM
To: 'Whatley, Michael'
Subject: RE: WDW-1 and WDW-2 2010 MITs

Michael:

Please contact Richard Inge of the OCD Artesia District Office to schedule a date and time to witness the MITs. Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3490
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

From: Whatley, Michael [mailto:Michael.Whatley@hollycorp.com]
Sent: Monday, August 02, 2010 9:10 AM
To: Chavez, Carl J, EMNRD
Subject: RE: WDW-1 and WDW-2 2010 MITs

Carl,

Thank you for bringing this to my attention. I checked with our environmental manager that oversees this and he reports that the tests are scheduled for early in September. Your efforts in assisting us with OCD requirements are appreciated.

Take Care,

MICHAEL WHATLEY
Navajo Refining Company LLC
Phone: 575-748-6743
Fax: 575-746-5421
michael.whatley@hollycorp.com

From: Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us]
Sent: Friday, July 30, 2010 1:11 PM
To: Whatley, Michael
Subject: WDW-1 and WDW-2 2010 MITs

Michael:

Good afternoon. I believe the OCD is lacking annual MITs from the above subject wells for this season and the MITs must be completed by 9/30/2010.

Please contact me to discuss and /or verify that this is the case, but recall checking OCD records for MITs for the above subject wells and did not see a chart for this season's MITs. If Navajo completed MITs anytime from Oct. 1, 2009 through September 30, 2010, Navajo may be in compliance already.

Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3490
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

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Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Tuesday, July 13, 2010 11:22 AM
To: 'Moore, Darrell'
Subject: UICI-Class I WDW-1 and WDW-2 MITs w/ Bradenheads to be completed by 9/30/2010 + Annual Fall-Off Test Scheduling

Darrell:

Good morning. FYI, OCD records indicate that MITs are needed for WDW-1 and WDW-²~~1~~ by 9/30/2010.

Also, I have not heard when Navajo Refining Company is scheduling the Annual Fall-Off Test, which also needs to be completed by 9/30/2010. I presume the above wells could be MIT'd before at the time of and before the FOT.

Please advise or clarify.

Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3490
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Thursday, August 27, 2009 1:19 PM
To: 'Moore, Darrell'
Cc: Lackey, Johnny
Subject: Navajo Refining Company WDW-2 (UICI-008-1) MIT Inspection Friday, August 14, 2009
Attachments: WDW-2 8-14-09.pdf

Darrell:

Please find attached the OCD's inspection notes from Friday, August 14, 2009.

As you indicated in the field, you have placed any drums in the fenced security area into the impermeable pad area. In addition, you indicated that an RFE would be submitted to replace the ½ inch dia. piping due to the concerns about the high-pressure on a small line and over concerns of breakage on the small line during future MITs, etc.

The OCD notices the storage of ethylene glycol at this site similar to WDW-3 for the WAMs Unit. Please be prepared to discuss any concerns or issues associated with this well during our meeting on Tuesday, September 1, 2009 in Santa Fe.

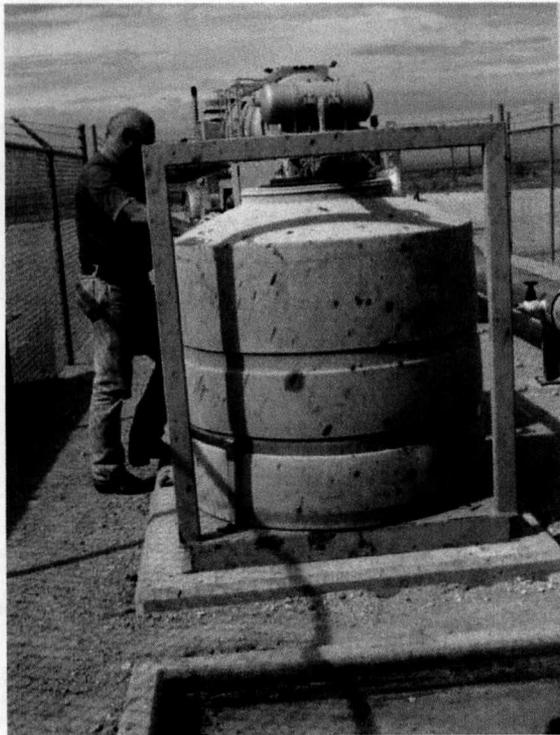
Please contact me if you have questions. Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3490
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

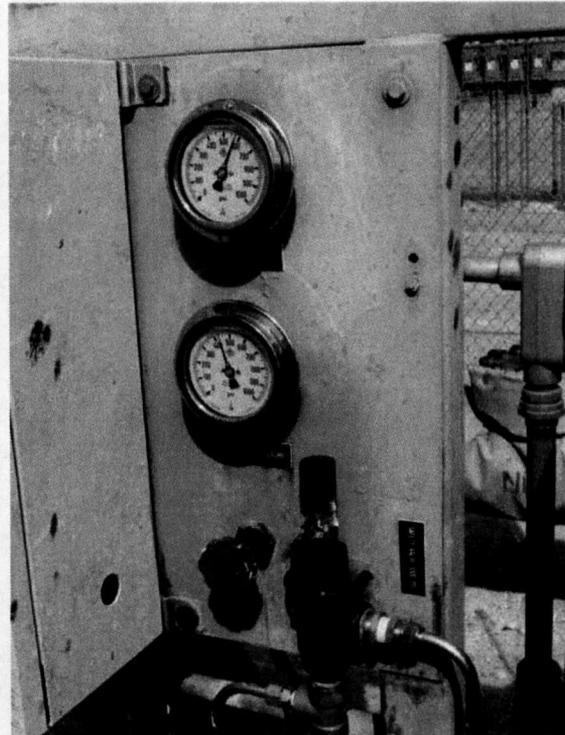
WDW-2 Inspection & MIT (8/14/2009)



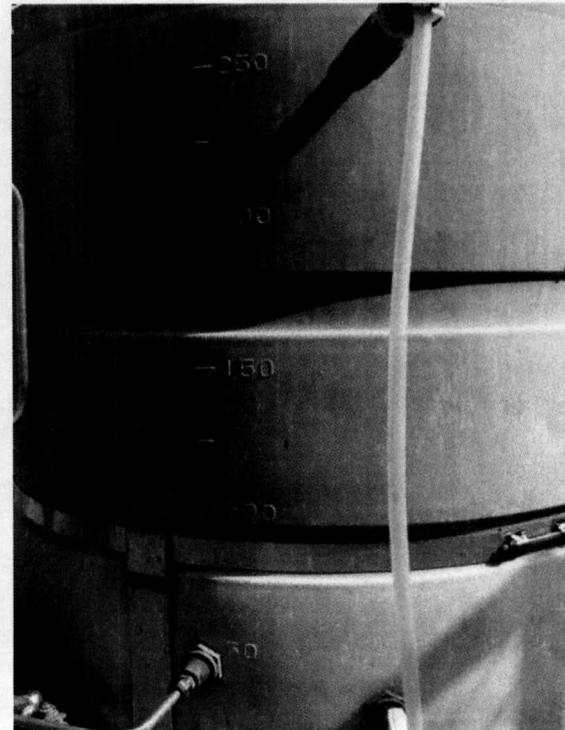
Well sign w/ security fence and lighting
24/7



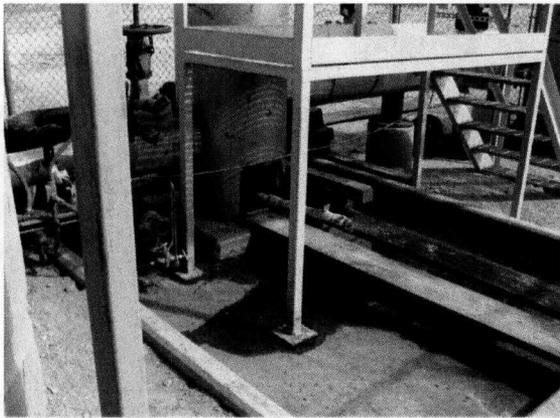
WAMs Unit annulus fluid level monitoring
device for OCD UIC Class I Wells



Injection well pressure monitoring station



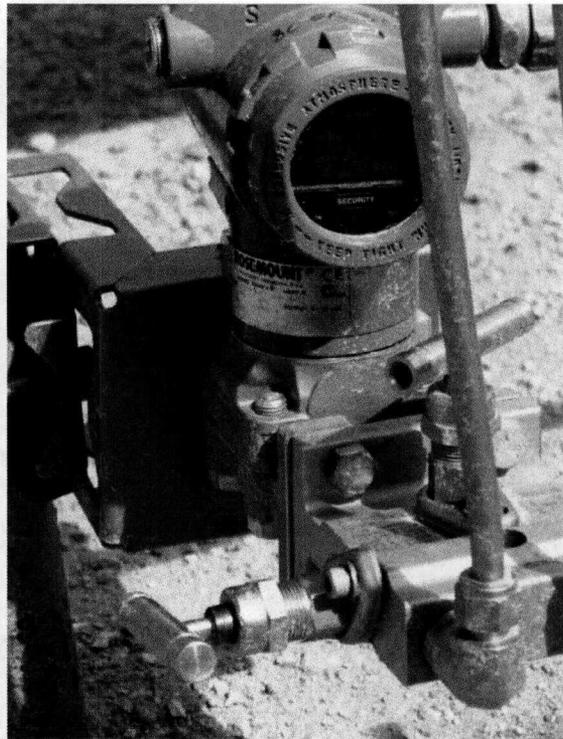
WAMs Unit close-up w/ manometer



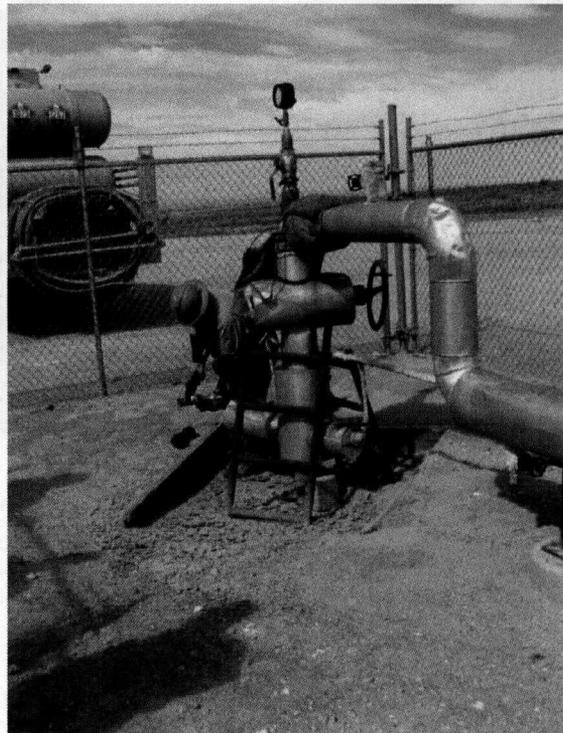
Impermeable curb in process area



Ethylene glycol fluid needs to be stored on impermeable pad area



Electronic in-line flow rate monitor gauge



Wellhead w/ Hot Oil Operator preparing to install chart recorder for MIT

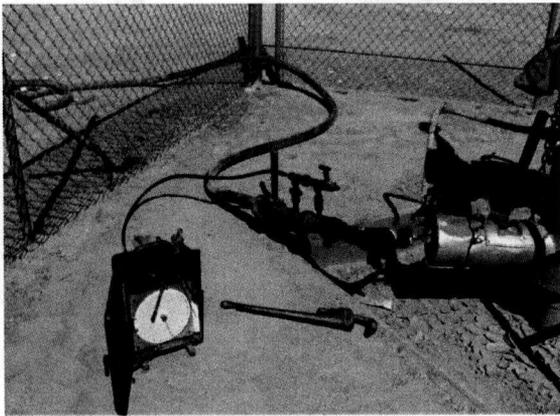


Chart recorder set-up w/ valve arrangement. Operator wants to replace ½ inch line with 1 inch or greater diameter size due to pressure on small line and breakage concerns during MITs.



Wellhead w/ blow-out preventers



Another in-line pressure gauge reading during pressure up pre-MIT



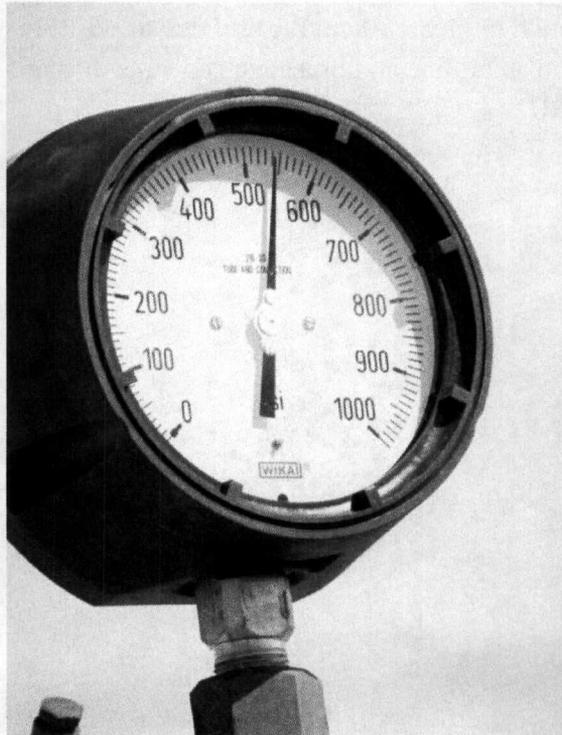
Filtration system before injection w/ boxes for O&M by workers



Connection to annulus through small 1/2 inch dia. fitting



Pressure gauge reading ~300 psig pre-MIT



Annulus pressure gauge reading ~ 535 psig during MIT

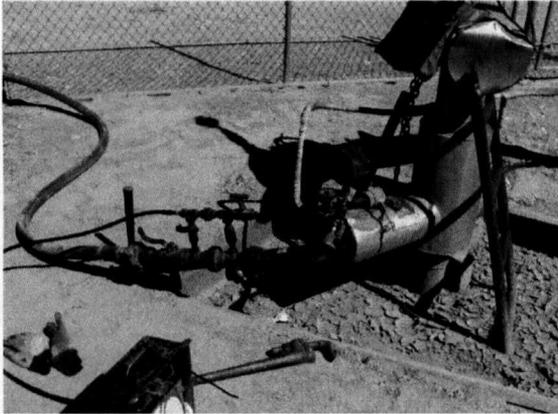


Chart recorder setup w/ valve arrangement



Annulus pressure increasing during pressure up on annulus pre-MIT

- 1) Passed standard annulus pressure MIT (Start @ 525 psig & End @ 520 psig) over 30 minutes.
- 2) Operator indicated WAMs fluid level ok (no loss or addition of ethylene glycol).
- 3) Drums containing chemicals need to be stored in impermeable pad area or removed from facility.

Notes:

Chavez, Carl J, EMNRD

From: Moore, Darrell [Darrell.Moore@hollycorp.com]
Sent: Tuesday, August 19, 2008 1:54 PM
To: Chavez, Carl J, EMNRD; Price, Wayne, EMNRD
Cc: Lackey, Johnny
Subject: WAMS data from WDW-3
Attachments: WAMS WDW-3.xls

Carl

You asked for monthly information on the WAMS unit from WDW-3. Ive attached that data along with a graph. Ive included the last 2 ½ months of data. As you can see, the data shows a steady decline in the annulus fluid. As we talked about when you were here doing the MIT, we are puzzled why the WAMS shows a decline but the MIT is perfect and the pressure gauges at the well show no communication between the tubing and annulus.

I have sent the same data to our contractor, Subsurface, and they are looking into possible causes for this. I will keep you informed and update the chart every month as you requested. If there are any questions, please call me at 575-746-5281.

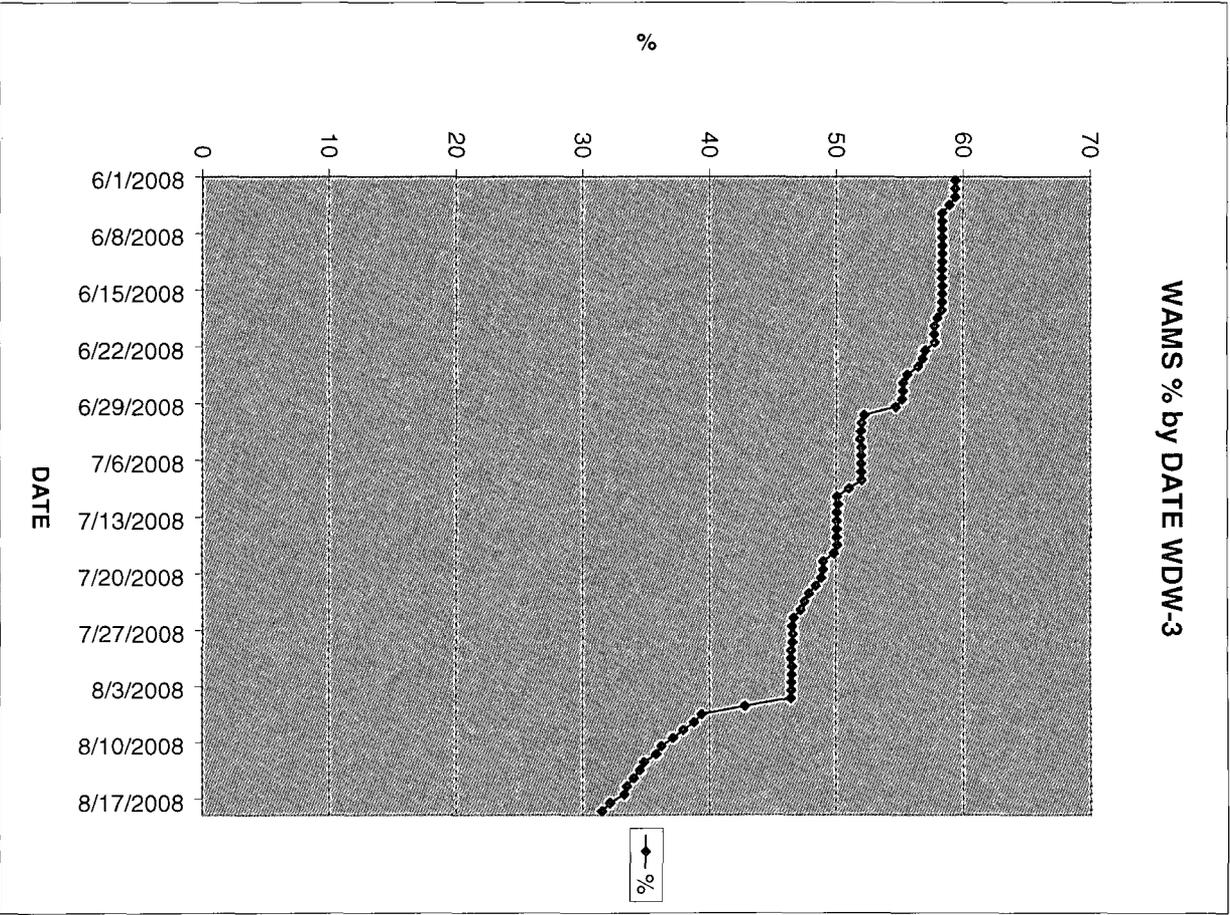
Darrell Moore
Environmental Manager for Water and Waste
Navajo Refining Company, L.P.
P.O. Box 159
Artesia, NM 88211-0159
Darrell.moore@navajo-refining.com
phone: 505.746.5281
cell: 505.703.5058
fax: 505.746.5451

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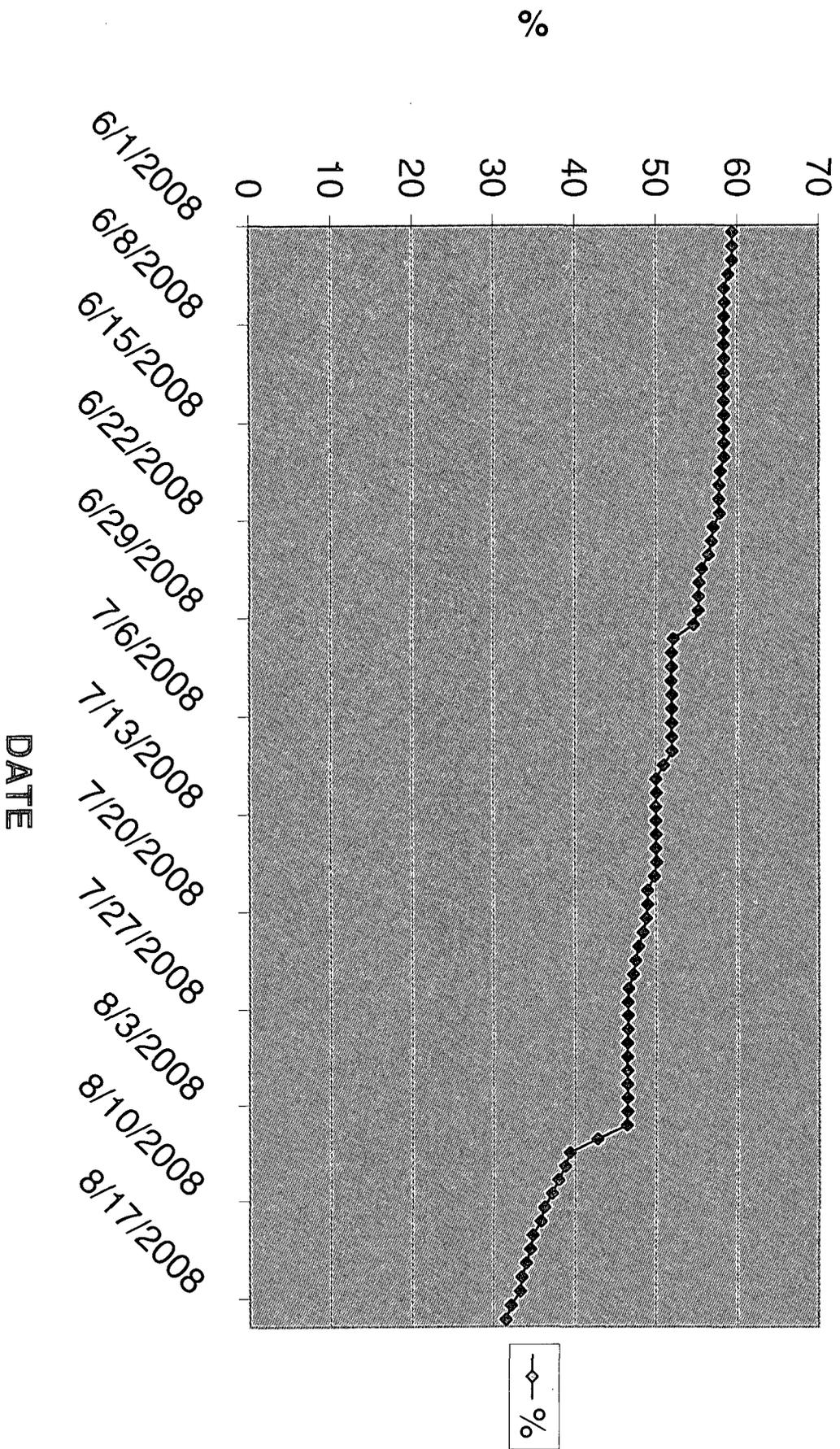
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DATE	%
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7/14/2008	50.03
7/15/2008	50.02
7/16/2008	50.11
7/17/2008	49.82
7/18/2008	48.98
7/19/2008	48.97
7/20/2008	48.81
7/21/2008	48.38
7/22/2008	47.85
7/23/2008	47.5
7/24/2008	47.18
7/25/2008	46.62
7/26/2008	46.5
7/27/2008	46.54
7/28/2008	46.53
7/29/2008	46.46



7/30/2008	46.45
8/1/2008	46.51
8/2/2008	46.49
8/3/2008	46.48
8/4/2008	46.47
8/5/2008	46.42
8/6/2008	42.8
8/7/2008	39.37
8/8/2008	38.79
8/9/2008	37.93
8/10/2008	37.13
8/11/2008	36.2
8/12/2008	35.8
8/13/2008	34.81
8/14/2008	34.5
8/15/2008	34.01
8/16/2008	33.46
8/17/2008	33.26
8/18/2008	32.15
8/19/2008	31.5

WAMS % by DATE WDW-3



Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Wednesday, August 06, 2008 12:10 PM
To: Moore, Darrell
Cc: Price, Wayne, EMNRD; 'Lackey, Johnny'; Sanchez, Daniel J., EMNRD
Subject: Navajo UICL-8 UIC Class I Wells MIT Charts from 8-5-2008
Attachments: WDW-1 MIT UICL-8 8-5-2008.tif; WDW-2 MIT UICL-8 8-5-2008.tif; WDW-3 MIT UICL-8 8-5-2008.tif

Darrell:

Please find attached the charts from yesterday's MITs (dynamic). The injection wells were in operation during the annulus pressure MITs and the information is as follows:

WDW# 1: 500 psi to 498 psi (Pass).

- 1) Request DP renewal application as permit expired on 7/14/2008.
- 2) WAMs Mo. Monitor Log for pressure limiting device installed at well.

WDW# 2: 580 to 578 psi (Pass)

- 1) DP expires on 10/5/2009.
- 2) WAMs Mo. Monitor Log for pressure limiting device installed at well.

WDW# 3: 580 – 570 psi (Pass)

- 1) Well recently permitted by OCD in 2007.
- 2) Need sign placed near well with well name, location & API#.
- 3) WAMs Mo. Monitor Log for pressure limiting device installed at well. OCD observed that 10 gallons of fluid has been lost, since 7/15/2008. You indicated that Subsurface (company) has been retained to determine the nature of the loss. There was speculation of air pockets due to foaming of the fluid, since the pressure limiting device or system was placed on-line.

Please contact me if you have questions. Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3491
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

8/6/2008

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Monday, July 14, 2008 4:37 PM
To: Chavez, Carl J, EMNRD
Cc: Price, Wayne, EMNRD; Sanchez, Daniel J., EMNRD; Jones, William V., EMNRD; Williams, Chris, EMNRD; Gum, Tim, EMNRD; Perrin, Charlie, EMNRD
Subject: UIC Class I Well MIT Status 2007 vs. 2008

Note to file for 2007 and 2008.

OCD district staff successfully witnessed MITs in 2007 and 2008 at the Class I Wells listed below.

The status of Class I MITs for 2007 is as follows:

1) San Juan Refining (UICL-9): Annual MIT performed on 10/17/07 (Annual MIT 578-560 psi over 30 min.)

2) Key Energy (UICL-5) MIT performed on 10/15/07 (Annual MIT 520-500 psi over 30 min.)

3) Navajo WDW#1 (UICL-8) MIT performed on 3/7/07 (5-Yr. MIT 750-750 psi over 30 min.)

4) Navajo WDW#2 (UICL-8) MIT performed on 3/7/07 (5- Yr. MIT 750-740 psi over 30 min.)

5) Navajo WDW#3 (UICL-8) MIT performed on 3/7/07 (5-Yr. MIT 500-490 psi over 30 min.)

It appears that five of the five Class I Wells completed either an annual or 5-Yr. MIT w/ bradenhead

Two MITs were witnessed by District Staff in 2008. One was tested after the end of the OCD reporting period of 6/30/2008. Navajo Refining Company Artesia, while completing the Fall-Off Tests at WDWs #1-3, did not complete MITs for the OCD

7/15/2008

Reporting period ending 6/30/2008. Navajo has been contacted to arrange a date and time for the annual MITs, bradenheads, etc to be completed before the end of the EPA fiscal year reporting period ending September 30, 2008. In addition, an official Test Plan for the Fall-Off Testing was requested, since Navajo performed the Fall-Off Tests without an OCD approved Test Plan w/ schedule for OCD to witness the tests. Annual MITs should be performed in advance of running the Fall-Off Tests each year, since equipment is mobilized to satisfy the annual MIT and Fall-Off Test Schedule.

The status of Class I MITs for 2008 is as follows:

- 1) San Juan Refining (UICL-9): Annual MIT performed on 5/7/08 (Annual MIT 538-560 psi over 30 min. w/ Bradenhead- nothing noticed). San Juan County
- 2) Key Energy (UICL-5) MIT performed on 7/1/08 (Annual MIT 510-522 psi over 30 min.) San Juan County
- 3) Navajo WDW#1 (UICL-8) MIT performed on 4/1/08 (Fall-Off Test- no annual MIT during reporting period ending 6/30/08)) Eddy County
- 4) Navajo WDW#2 (UICL-8) MIT performed on 4/2/08 (Fall-Off Test- no annual MIT during reporting period ending 6/30/08) Eddy County
- 5) Navajo WDW#3 (UICL-8) MIT performed on 4/3/08 (Fall-Off Test- no annual MIT during reporting period ending 6/30/08)) Eddy County
- 6) Monument Disposal Well was converted back to a Class II SWD Well shortly after obtaining Class I Well Status. No longer a Class I Well. Lea County

Carl J. Chavez, CHMM

7/15/2008