



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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Director

Oil Conservation Division

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

22-Aug-07

CONOCOPHILLIPS COMPANY

3300 N A STREET BLDG 6 #247

MIDLAND TX 79710-0000

**NOTICE of Failed
Mechanical Integrity**

Dear Operator:

The bradenhead test(s) reported on the following well or wells failed to meet mechanical integrity standards of the New Mexico Oil Conservation Division. 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 you and/or an OCD Compliance Officer employed by the Oil Conservation Division. Additional testing during the repair operation may be necessary to properly identify the full 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 a Compliance Officer may witness the test.

MECHANICAL INTEGRITY TEST DETAIL SECTION

SAN JUAN 28 7 UNIT No.074

30-039-07448-00-00

Active Gas (Producing)

N-11-28N-7W

Test Date: 8/20/2007

Permitted Injection PSI:

Actual PSI:

Test Reason: Annual IMIT

Test Result: F

Repair Due: 11/23/2007

Test Type: Bradenhead Test

FAIL TYPE: Other Internal Failure

FAIL CAUSE:

Comments on MIT: bradenhead blew down in 5 seconds through a 1/2 inch pipe - intermediate never blew down - blew loud and steady - dropped to 10 through 30 minute opening then went back up to 71 in 5 minute shut-in

In the event that a satisfactory response is not received to this letter of direction by the "Repair Due:" date shown above, enforcement action will occur. Such enforcement may include this office issuing a NOTICE OF VIOLATION with a penalty and/or 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 for your violation of OCD rules.

Sincerely,


Aztec OCD District Office

Note: Bradenhead Tests are performed every 3 years. Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data. "Failure Type" and "Failure Cause" and any Comments are not to be interpreted as a diagnosis of the condition of the wellbore. Additional testing should be conducted by the operator to accurately determine the nature of the actual failure. * Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.

Cc:Well File
BLM