State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

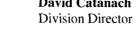
Governor

Ken McQueen Cabinet Secretary

Matthias Sayer

Deputy Cabinet Secretary

David Catanach





Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

08-Jan-18

OXY USA INC

PO Box 4294

Houston TX 77210-7210

LETTER OF VIOLATION - Inspection

Dear Operator:

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.

AMAX 24 FEDERAL No.011 Inspection					M-24-23S-31E	30-015-27391-00-00 Corrective	
Date	PR Y		Inspector	Violation?	*Significant Non-Compliance?	Action Due By:	Inspection No.
01/08/2018	Routine/Periodic		Tony Morales	Yes	No	4/13/2018	iTM1800845873
	Violations						
	General Housekeeping (Rule 114)						
Comments	on Inspection:	OK. All Ed 19.15.10.8	quipment and Location in	Good Shape	. PJ. STAINING	G AROUND WELL H	EAD
	SILVER 33	FEDERAL	No.007		L-33-23S-31E	30-015-27588-00-	00
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/08/2018	Routine/Periodic		Tony Morales	Yes	No	4/13/2018	iTM1800839463
	Violations						
	General Housekeeping (Rule 114)						
Comments on Inspection: OK. All E 19.15.10.8			quipment and Location in Good Shape. PJ. STAINING AROUND WELL HEAD				

INSPECTION DETAIL SECTION

STERLING SILVER 33 FEDERAL No.008

M-33-23S-31E

30-015-27601-00-00

Inspection Date 01/08/2018

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

Routine/Periodic

Tony Morales

Yes

No

4/13/2018

iTM1800838312

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape.

POWER OFF TAGGED 19.15.10.8

PJ. STAINING AROUND WELL HEAD

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 Divison Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,

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.