State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary Heather Riley Division Director



Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

20-Feb-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.

		INSPECTIO	N DETAIL	SECTION			
MITCHELL 21 FEDERAL No.001 Inspection Date Type Inspection		No.001 Inspector	Violation?	G-21-24S-29E *Significant Non-Compliance?	30-015-28559-00- Corrective Action Due By:	00 Inspection No.	
02/20/2018	Routine/Periodi Violations General Housekeep		Yes	No	5/26/2018	iTM1805136931	
	(OK. All Equipment and Location in CONTAMINATED MATERIAL C	•	N TANK BATTERIE			
CEDAR CA Inspection Date	NYON 21 FEDI Type Inspection	ERAL No.002 Y Inspector	Violation?	H-21-24S-29E *Significant Non-Compliance?	30-015-29491-00- Corrective Action Due By:	UU Inspection No.	
02/20/2018	Routine/Periodi Violations General Housekeep		Yes	No	5/26/2018	iTM1805137193	
Comments on Inspection: OK. All Equip 19.15.10.8		1 1	oment and Location in Goo Shape.		PJ. STAINING AROUND WELL HEAD		

HARROUN	15 No.002			D-15-24S-29E		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
02/20/2018	Routine/Periodic Violations General Housekeeping (Rule 11	Tony Morales	Yes	No	5/26/2018	iTM1805134652
Comments	on Inspection: OK. All Equ HEAD 19.	ipment and Location in 15.10.8	Good Shape.	PJO. STAININ	IG AROUND WELL	
COYOTE 2	1 No.002			N-21-24S-29E	30-015-29864-00-	00
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
02/20/2018	Routine/Periodic Violations	Tony Morales	Yes	No	5/26/2018	iTM1805140797
	General Housekeeping (Rule 11	4)				
Comments	on Inspection: OK. All Equ 19.15.10.8	ipment and Location in	Good Shape	. PJO STAININ	NG AROUND WELLI	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,

 ϕO Artesia OCD District Office

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.