

Bill Richardson

Governor

Jim Noel Cabinet Secretary

Karen W. Garcia **Deputy Cabinet Secretary** Mark Fesmire Division Director Oil Conservation Division



Response Required - Deadline Enclosed

Underground Injection Control Program "Protecting Our Underground Sources of Drinking Water" mailed: 11/3/2010

29-Oct-10

DEVON ENERGY PRODUCTION COMPANY, LP **PO BOX 250**

Artesia NM 88210

LOW W. 02 - 09-172

LETTER OF VIOLATION and SHUT-IN DIRECTIVE **Failed Mechanical Integrity Test**

Dear Operator:

The following test(s) were performed on the listed dates on the following well(s) shown below in the test detail section.

The test(s) indicates that the well or wells failed to meet mechanical integrity standards of the New Mexico Oil Conservation Division. To comply with guidelines established by the U.S. Environmental Protection Agency, the well(s) must be shut-in immediately until it is successfully repaired. 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 an inspector employed by the Oil Conservation Division. Additional testing during the repair operation may be necessary to properly identify the 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 the test may be witnessed by a field representative.

MECHANICAL INTEGRITY TEST DETAIL SECTION

BERETTA 15 STATE COM No.002

Active Gas (Producing)

30-015-29583-00-00

Test Date:

10/28/2010

Permitted Injection PSI:

G-15-23S-26E

1/31/2011

Test Reason:

TA Status Test

Test Result:

Actual PSI:

Test Type:

Std. Annulus Pres. Test

FAIL TYPE: Other Internal Failure

Repair Due:

FAIL CAUSE:

Comments on MIT: Well would not pressure up. Dumped 130 bbls before giving up.

October 29, 2010 Page 2

In the event that a satisfactory response is not received to this letter of direction by the "Repair Due:" date shown above, or if the well(s) are not immediately shut-in, 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. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

Sincerely,

RUHAD NUE
Artesia OCD District Office