

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

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

21-May-01

YATES PETROLEUM CORPORATION
105 S 4TH ST
ARTESIA, NM 88210-

Dear Sirs:

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 as established by the U.S. Environmental Protection Agency, the well should have been shut-in immediately until the well is successfully repaired. The test detail section which follows, indicates preliminary findings and/or probable causes of the failure. This is a subjective determination based on one or more factors of the results of the test. The actual malfunction may not be similar in nature to those as estimated by this testing. Additional testing during the repair operation may be necessary to properly identify the nature of the well failure.

As of the date of this letter no form C-103 has been received indicating this well has been repaired. It is requested that the appropriate forms be filed by the **repair due** date indicating how the well was repaired and the date of repair.

MECHANICAL INTEGRITY TEST DETAIL SECTION

STATE CO 001

Active Salt Water Disposal Well

30-015-20883-00-00

K-36-19S-24E

Test Date:	6/16/00 9:01:26 AM	Permitted Injection PSI:		Actual PSI:	
Test Reason:	5-year Test	Test Result:	F	Repair Due:	6/22/01
Test Type:	Std. Annulus Pres. Test	FAIL TYPE:	Casing	FAIL CAUSE:	
Comments on MIT:	Well would not pressure-up.				

CHARLETTE MCKAY FEDERAL COM 001

Active Salt Water Disposal Well

30-015-23095-00-00

H-25-20S-24E

Test Date:	6/16/00 3:56:39 PM	Permitted Injection PSI:		Actual PSI:	
Test Reason:	5-year Test	Test Result:	F	Repair Due:	6/22/01
Test Type:	Std. Annulus Pres. Test	FAIL TYPE:	Casing	FAIL CAUSE:	
Comments on MIT:	Well bled-down to following pressure in 2 minutes:				

Thank you for your prompt attention to this matter and your efforts in helping to protect our ground water

Sincerely,

Note: Pressure Tests are performed prior to initial injection, after repairs and otherwise, every 5 years; Bradenhead Tests are performed annually. 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.