

State Of New Mexico
Energy, Minerals and Natural Resources Department

17-Dec-24

MARATHON OIL PERMIAN LLC

Pre Enforcement Notification

990 Town & Country Blvd.
Floor 11
Houston, TX 77024

Dear Operator:

The following inspection indicates that the well, equipment, location or operational status of the well 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 indicated.

Please notify the Compliance Officer copied on this letter, 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.

INSPECTION DETAIL SECTION

[30-015-31910] GRANDE STATE SWD #001		OGRID: 372098	C-32-23S-29E 660 FNL 1980 FWL
Inspection Date	Type Inspection	Inspector	Inspection No.
12/16/2024	Routine Inspection	[RZH] Ronald Heuer	iRZH2435141537
Violation	Title		Corrective Action Due
cRZH2435221726 19.15 Oil and Gas Mechanical Integrity Failure Recorded			3/16/2025
(Auto Generated Violation - MIT Failure exits.)			
cRZH2435221727 19.15.26 Injection Detection of Deficient Mechanical Integrity			3/16/2025
(Received and entered operator reported failed BHT. Production casing had steady flow and would not blow down. Operator had tried to pressure up well for an MIT, but lost pressure. In 30 minutes, production casing went from 680 psi to 4 psi while tubing pressure went from 550 psi to 7 psi. Ten barrels was pumped into the well. The well has been shut in.)			

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

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.