



New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary-Designate

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Acting Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



Response Required – Deadline Enclosed

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

Mailed: 8-17-2011
DJ

16-Aug-11

OXY USA WTP LIMITED PARTNERSHIP
PO BOX 4294
HOUSTON TX 77210

LOVNO. 02-09-207

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

M H FEDERAL COM SWD No.001

Active Salt Water Disposal Well

30-015-22782-00-00
N-1-22S-24E

Test Date: 8/16/2011	Permitted Injection PSI:	Actual PSI:
Test Reason: Post Workover Test	Test Result: F	Repair Due: 9/16/2011
Test Type: Std. Annulus Pres. Test	FAIL TYPE: Permit Violation	FAIL CAUSE:
Comments on MIT: Well failed an MIT on 8/11/2010. It was repaired some time last year but no MIT chart or paperwork was submitted. Well was tested today. Operator has 30 days to submit form c103 detailing repair done on well to the OCD Artesia District Office		

JONES CANYON 4 FEDERAL No.006

Active Salt Water Disposal Well

30-015-30948-00-00
G-4-22S-24E

Test Date: 8/16/2011	Permitted Injection PSI:	Actual PSI:
Test Reason: Post Workover Test	Test Result: F	Repair Due: 9/16/2011
Test Type: Std. Annulus Pres. Test	FAIL TYPE: Permit Violation	FAIL CAUSE:
Comments on MIT: Well failed an MIT on 8/11/2010. Repair was to be completed by 11/14/2010. Operator reports that well is currently being repaired. Well was not tested today. Repair work on the well must be completed by Completed Action Due By Date and an MIT test performed and witnessed by the OCD Artesia District		



August 16, 2011

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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,


Ruthann Inge
Artesia OCD District Office