

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**John Bemis**  
Cabinet Secretary

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey**  
Division Director  
Oil Conservation Division



**\*Response Required – Deadline Enclosed\***

*Field Inspection Program  
"Preserving the Integrity of Our Environment"*

21-Feb-13

**ENDEAVOR ENERGY RESOURCES, LP**  
110 NORTH MARIENFELD  
SUITE 200  
MIDLAND TX 79701

**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.

**INSPECTION DETAIL SECTION**

**STATE MA COM No.001**

H-3-25S-28E

30-015-23709-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
02/21/2013	Routine/Periodic	Richard Inge	Yes	No	5/27/2013	iREI130525064

**Comments on Inspection:**

This well failed an annual Bradenhead Test on 1-/03/2012. An LOV was issued that date stating well could be used for injection but had to be repaired by 1/06/2013.

I stopped at well location today and found no repair had been done on well. Well open to injection line and pump set to automatic.

You are to shut-in the well immediately and the well must be repaired by 3/21/2013 or further enforcement action may follow.

February 21, 2013

Page 2

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. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

Sincerely,

Handwritten signature of Richard Inge in black ink.

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.

# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

SUSANA MARTINEZ  
Governor  
John H. Bemis  
Cabinet Secretary

Jami Bailey  
Director  
Oil Conservation Division

**\*Response Required – Deadline Enclosed\***

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

03-Oct-12

ENDEAVOR ENERGY RESOURCES, LP  
110 NORTH MARIENFELD SUITE 200  
MIDLAND TX 79701

**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***

STATE MA COM No.001

Active Salt Water Disposal Well

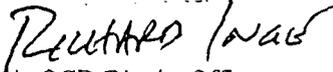
30-015-23709-00-00  
H-3-25S-28E

Test Date:	10/3/2012	Permitted Injection PSI:	Actual PSI:	420
Test Reason:	Annual IMIT	Test Result:	Repair Due:	1/6/2013
Test Type:	Bradenhead Test	FAIL TYPE:	FAIL CAUSE:	
Comments on MIT:	Initial blow from intermediate valve, then slow, constant flow of fluid that did not stop. I do not believe there is any injection fluid coming out since there is no casing pressure so you can continue to inject. But you must repair intermediate leak by "Repair Due Date" or the well will be ordered to be shut-in until repairs are made.			

Contact the OCD to witness an MIT pressure test once repairs are made and before you can return well to injection.

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.

Sincerely,



Artesia OCD District Office

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.