State of New Mexico Energy, Minerals and Natural Resources

Susana Martinez

Governor

Ken McQueen Cabinet Secretary Matthias Sayer

Deputy Cabinet Secretary

Heather Riley
Division Director

*Response Required - Deadline

Field Inspection Program
"Preserving the Integrity of Our Environment"

25-Sep-18

V-F PETROLEUM INC P.O. BOX 1889 MIDLAND TX 79702

Dear Operator:

LETTER OF VIOLATION - Inspection

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

Yes

OXY SENITA STATE

No.001

Gilbert Cordero

E-4-19S-28E

Nο

30-015-34745-00-

Inspection Date 09/21/2018

Type Inspection
Routine/Periodic

Inspector

*Significant
Violation? Non-Compliance?

Action Due By: 12/25/2018

Corrective

Inspection No. iGC1826432035

Comments on Inspection:

RULE 19.15.25.14 WELL MUST DEMONSTRATE INTERNAL CASING INTEGRITY.

WELL MUST BE REPAIRED AND RUN MIT. WELL HAS 220 PSI

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

Sincerely,

Gilbert Cordero Staff Mgr

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.