

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

	Susana Martinez Governor		1	Jami Bailey Division Director Oil Conservation Division
;	John H. Bernis	1		
t T	Cabinet Secretary	Underground Injection (ontrol response	
		DCD		
15	5-Aug-11			2011
SÆ	ANDRIDGE EXPLOI	RATION AND PRODUCTION, LLC	AUG 1 5	2011
	3 ROBERT S. KERR	· · · · · · · · · · · · · · · · · · ·		
OKLAHOMA CITY OK 73102-		RECE	IVED	
	LETT		LETTER OF VIOLATION a Failed Mechanica	

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, <u>the well(s) must be shut-in</u> <u>immediately</u> 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

LANGLIE MATTIX QUEEN UNIT No.022 30-025-2318						
		Active Injection - (All Types)		N-15-25S-37E		
Test Date:	8/12/2011	Permitted Injection PSI:	Actual PSI;			
Test Reason:	Post Workover Test	Test Result: F	Repair Due:	11/15/2011		
Test Type:	Std Annulus Pres Test	FAIL TYPE: Packer	FAIL CAUSE:			
Comments on	MIT: Pressured annulus to 40	00 psi. Pressure dropped to 60 psi in 8	minutes. Possible packer	failure.		

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, COMPLIANCE OFFICER

Hobbs 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 EMNRD OIL CONSERVATION DIVISION 1625 N FRENCH DRIVE HOBBS NM 88240



SANDRIDGE EXPL & PROD, LLC 123 ROBERT S. KERR AVENUE OKLAHOMA CITY, OK 73102

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