



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division

Response Required – Deadline Enclosed

Field Inspection Program

"Preserving the Integrity of Our Environment"

30-Jan-12

HOBBS OCD

OXY USA INC
PO BOX 4294
HOUSTON TX 77210

JAN 30 2012

RECEIVED

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

J F JANDA NCT E No.003

A-21-23S-36E

30-025-09365-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/26/2012	Routine/Periodic	Mark Whitaker	Yes	No	3/30/2012	iMAW1202634835
Violations						
Surface Damage/Restoration						

Comments on Inspection: DO NOT RELEASE BOND. The following items should be removed from the location: Post with concrete base south of marker, 3 valves at dry hole marker, pile of thread protectors north of marker, and pile of flowline at entrance to location on Teague Switch road. 1st notice.

S J CARR No.006

L-10-24S-37E

30-025-11085-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/26/2012	Routine/Periodic	Mark Whitaker	Yes	No	3/30/2012	iMAW1202633952
Violations						
Surface Damage/Restoration						

Comments on Inspection: DO NOT RELEASE BOND. The following item will need to be removed: Flowline should be flushed and removed, debris around dry hole marker, and cut-off wellhead and junk metal on SE corner of location. 1st notice.

JAN 30 2012

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,

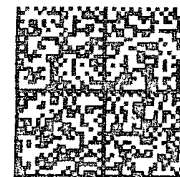

COMPLIANCE OFFICER

Hobbs 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

EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



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01/30/12
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