



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 Water"

HOBBS OCD

NOV 15 2012

15-Nov-12

RECEIVED

MCDONNOLD OPERATING INC

505 N BIG SPRING SU 204

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

LANGLIE JACK UNIT No.014

30-025-11169-00-00

Active Injection - (All Types)

O-20-24S-37E

Test Date: 11/15/2012

Permitted Injection PSI:

Actual PSI:

Test Reason: Annual IMIT

Test Result: F

Repair Due: 2/18/2013

Test Type: Bradenhead Test

FAIL TYPE: Equipment - Specify in Co

FAIL CAUSE:

Comments on MIT: Pressure on tubing/casing annulus. Vacuum truck pulling fluid off annulus. Possible tubing or packer failure. NEED TO DETERMINE CAUSE OF FAILURE, REPAIR, AND RE-SCHEDULE MIT.

LANGLIE JACK UNIT No.007

30-025-11172-00-00

Active Injection - (All Types)

F-20-24S-37E

Test Date: 11/15/2012

Permitted Injection PSI:

Actual PSI:

Test Reason: Annual IMIT

Test Result: F

Repair Due: 2/18/2013

Test Type: Bradenhead Test

FAIL TYPE: Operational Violation

FAIL CAUSE:

Comments on MIT: Bradenhead not shut in for required 24 hour period prior to testing. Operator representative opened bradenhead prior to OCD being able to witness. Will need to re-schedule test at a later date. Leave well shut-in until test date.

NOV 15 2012

LANGLIE JACK UNIT No.006**30-025-11173-00-00**

D-20-24S-37E

Active Injection - (All Types)

Test Date:	11/15/2012	Permitted Injection PSI:		Actual PSI:	
Test Reason:	Annual IMIT	Test Result:	F	Repair Due:	2/18/2013
Test Type:	Std. Annulus Pres. Test	FAIL TYPE:	Other Internal Failure	FAIL CAUSE:	
Comments on MIT:	Attempt to pressure up on annulus. Pressure dropped more than the allowed 10% in 5 minutes.				

JACK A 29 No.004**30-025-11279-00-00**

O-29-24S-37E

Active Injection - (All Types)

Test Date:	11/15/2012	Permitted Injection PSI:		Actual PSI:	
Test Reason:	Annual IMIT	Test Result:	F	Repair Due:	2/18/2013
Test Type:	Std. Annulus Pres. Test	FAIL TYPE:	Other Internal Failure	FAIL CAUSE:	
Comments on MIT:	Attempt to pressure up on annulus. Pressure dropped more than the allowed 10% in 5 minutes.				

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.

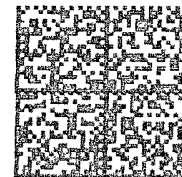
Sincerely,


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



HASLER	015H14150977	US POSTAGE
	\$0.45	
	11/15/12	
	Mailed From 88240	

MCCONNOLD OPERATING INC
505 N BIG SPRING
SUITE 204
MIDLAND, TX 79701