

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary

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

HOBBS OCD
JUL 15 2013
RECEIVED

Jami Bailey, Division Director
Oil Conservation Division



***Response Required - Deadline**

Field Inspection Program
"Preserving the Integrity of Our Environment"

12-Jul-13

OXY USA WTP LIMITED PARTNERSHIP
P.O. Box 50250
Midland, TX 79710

Attn: David Stewart:

LETTER OF VIOLATION -

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

WARREN MCKEE UNIT No.001		F-7-20S-38E		30-025-07743-00-	
Inspection				*Significant	Corrective
Date	Type Inspection	Inspector	Violation?	Non-Compliance?	Action Due By:
07/12/2013	Pressure Test	Sylvia Dickey	Yes	No	10/15/2013
					Inspection No.
					iSAD1319352790

Comments on Inspection: S/RPT C103 APPROVED 7/12/2013; MIT ONLY; SYLVIA DICKEY OF OCD 1 CALLED DAVID STEWART LEFT MESSAGE ON 7/12/2013; **PRIOR MIT FAILURE 10/25/2011; NO SUBSEQUENT REPORT PERTAINING TO REMEDIAL WORK PERFORMED AS A RESULT OF THE REQUEST FOR A NEW PKR SETTING DEPTH APPROVED BY JAIME BAILEY 11/30/2011 NEW APPROVED PKR DEPTH IS 4085'; ** **OPERATOR IN VIOLATION OF NMOCD RULE 19.15.7.14 - "SUNDRY NOTICES AND REPORTS ON WELLS"***

July 12, 2013

Page 3

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.

Sincerely,



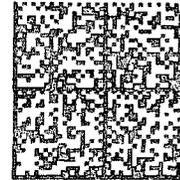
Hobbs OCD District Office

COMPLIANCE OFFICER

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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\$0.46
07/12/13
Mailed From 88240

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US POSTAGE

OXY USA WTP Limited Partnership
ATT: David Stewart
P O Box 50250
Midland, TX 79710