State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor John H. Bemis Jami Bailey, Division Director Cabinet Secretary **Oil Conservation Division** Brett F. Woods, Ph.D. Deputy Cabinet Secretary *Response Required - Deadline **Field Inspection Program** "Preserving the Integrity of Our Environmemor SEP 12 2013 RECEIVED 12-Sep-13 CONOCOPHILLIPS ATTN: SUSAN B. MAUNDER P.O. BOX 51810 **LETTER OF VIOLATION -**MIDLAND, TX 79710-1810 ----

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

EAST VACUUM (GSA) UNIT No.008 Inspection			M-28-17S-35E *Significant	30-025-02909-00- Corrective	
Date Type Inspection	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
09/12/2013 File and Compliance	Sylvia Dickey	Yes	No	12/16/2013	
iSAD1325549922					
Comments on Inspection: ***FILE AN	D COMPLIANCE RE	VIEW****O	PERATOR HAS NOT	REPAIRED PRIOR	

UIC WELL IN SPECIAL ORDERED AREA. WELL DID NOT PASS BRADENHEAD TEST PER C103 (NOI) APPROVED 4/18/2013 AND BRADENHEAD TEST SURVEY APPROVED 5/14/2013; ***OPERATOR STILL IN VIOLATION OF NMOCD RULE 19.15.26.11 ***2ND NOTICE OF VIOLATION***.

SEP 2 2013

September 12, 2013 Page 2

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.

Sinderely,

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



CONOCOPHILLIPS ATTN: SUSAN B. MAUNDER P.O. BOX 51810 MIDLAND, TX 79710-1810