State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McOueen Cabinet Secretary

HOBBS OCD MAR 0 5 2018 **Matthias Sayer Deputy Cabinet Secretary**

Heather Riley Division Director

Response Required - Deadline Enclosed*



Underground Injection Control Program "Protecting Our Underground Sources of Drinking Water"

RECEIVED

02-Mar-18

CONOCOPHILLIPS COMPANY

3300 N A STREET BLDG 6 #122 MIDLAND TX 79710-0000

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

30-025-00610-00-00
L-21-17S-32E
PSI:
Due: 5/19/2018
AUSE:
ing valve Had been bled
30-025-07799-00-00
M-18-20S-38E
PSI:
Due: 5/26/2018
AUSE:
N, WELL WAS ALREADY

Oil Conservation Division * 1625 N. French Drive * Hobbs, New Mexico 88240 Phone: 575-393-6161 * Fax: 575-393-0720 * http://www.emnrd.state.nm.us

EAST VACUU	M (GSA) UNIT No.018			30-025-30015-00-00
		Active Oil (Producing)		H-32-17S-35E
Test Date:	2/20/2018	Permitted Injection PSI:	Actual PSI:	
Test Reason:	Annual IMIT	Test Result: F	Repair Due:	5/26/2018
Test Type:	Bradenhead Test	FAIL TYPE: Other Internal Failure	FAIL CAUSE:	
Comments on l	MIT: BHT-Failed Rule # 19.1	5.26.11 Unit turned off Pressure/Oil on surf (CSG	

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.

Keny Fortmer Sincerely,

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



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