

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley
Division Director



Response Required - Deadline Enclosed

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

02-Oct-18

OCCIDENTAL PERMIAN LTD
1017 W STANOLIND ROAD
HOBBS NM 88240-

**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

SOUTH HOBBS G/SA UNIT No.141		30-025-28344-00-00	
	Active Injection - (All Types)		K-4-19S-38E
Test Date:	9/28/2018	Permitted Injection PSI:	Actual PSI:
Test Reason:	Annual IMIT	Test Result: F	Repair Due: 1/1/2019
Test Type:	Std. Annulus Pres. Test	FAIL TYPE: Other Internal Failure	FAIL CAUSE:
Comments on MIT:	FAILED MIT, RULE: 19.15.26.11, CAL DATE 9-25-2018, SER# 95001, 1000#, LUIS W/ MACLASKEY, PRESS WENT FROM 590 TO 520 (70 # LOSS) IN 32 MIN., CHART IN WELL FILE.		
SOUTH HOBBS G/SA UNIT No.143		30-025-28346-00-00	
	Approved TA Oil (Producing)		P-4-19S-38E
Test Date:	9/28/2018	Permitted Injection PSI:	Actual PSI:
Test Reason:	TA Status Test	Test Result: F	Repair Due: 1/1/2019
Test Type:	Std. Annulus Pres. Test	FAIL TYPE: Other Internal Failure	FAIL CAUSE:
Comments on MIT:	FAILED T/A TEST, RULE: 19.15.26.11, CAL DATE 9-25-2018, SER# 95001, 1000#, LUIS W/ MACLASKEY, PRESS WENT FROM 600 TO 530 (70 # LOSS) IN 32 MIN., CHART IN WELL FILE.		

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02-Oct-18

OXY USA INC
PO Box 4294
Houston TX 77210-7210

**LETTER OF VIOLATION and SHUT-IN DIRECTIVE
Failed Mechanical Integrity Test**

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MECHANICAL INTEGRITY TEST DETAIL SECTION

STATE LAND SECTION 30 No.005			30-025-07483-00-00
	Approved TA Oil (Producing)		K-30-18S-38E
Test Date:	9/26/2018	Permitted Injection PSI:	Actual PSI:
Test Reason:	TA Status Test	Test Result: F	Repair Due: 12/30/2018
Test Type:	Std. Annulus Pres. Test	FAIL TYPE: Other Internal Failure	FAIL CAUSE:
Comments on MIT:	T/A TEST FAILED, RULE: 19.15.26.11, PRES WENT FROM 550 TO 440 IN 28 MIN., COPY OF CHART IN WELL FILE.		
STATE LAND SECTION 30 No.007			30-025-07485-00-00
	Approved TA Oil (Producing)		N-30-18S-38E
Test Date:	9/27/2018	Permitted Injection PSI:	Actual PSI:
Test Reason:	TA Status Test	Test Result: F	Repair Due: 12/31/2018
Test Type:	Std. Annulus Pres. Test	FAIL TYPE: Other Internal Failure	FAIL CAUSE:
Comments on MIT:	T/A TEST FAILED, RULE: 19.15.26.11, PRES WENT FROM 600 TO 500 IN 32 MIN., COPY OF CHART IN WELL FILE.		

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Response Required - Deadline Enclosed

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

02-Oct-18

OXY USA WTP LIMITED PARTNERSHIP
PO Box 4294
Houston TX 77210-7210

**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

EAST EUMONT UNIT No.032

30-025-05588-00-00

Active Injection - (All Types)

E-10-19S-37E

Test Date: 9/26/2018	Permitted Injection PSI:	Actual PSI:
Test Reason: Annual IMIT	Test Result: F	Repair Due: 12/30/2018
Test Type: Std. Annulus Pres. Test	FAIL TYPE: Other Internal Failure	FAIL CAUSE:
Comments on MIT: MIT FAILED, RULE:19.15.26.11, 1ST TEST- 540 TO 380, 2ND TEST- 460 TO 300, 3RD TEST - 460 TO 400, COPIES OF CHARTS IN WELL FILE.		

STATE LAND SECTION 30 No.008

30-025-07486-00-00

Approved TA Oil (Producing)

L-30-18S-38E

Test Date: 9/28/2018

Permitted Injection PSI:

Actual PSI:

Test Reason: TA Status Test

Test Result: F

Repair Due: 1/1/2019

Test Type: Std. Annulus Pres. Test

FAIL TYPE: Other Internal Failure

FAIL CAUSE:

Comments on MIT: T/A TEST FAILED, RULE: 19.15.26.11, PRES WENT FROM 600 TO 520 IN 32 MIN, COPY OF CHART IN WELL FILE

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.

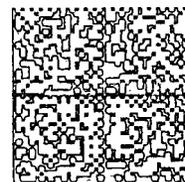
Sincerely,



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

FIRST-CLASS MAIL

\$000.47⁰

10/03/2018 ZIP 88240
012E14642224

US POSTAGE

OCCIDENTAL PERMIAN LTD
1017 W STANOLIND ROAD
HOBBS, NM, 88240