

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

07-Mar-08

OXY USA WTP LIMITED PARTNERSHIP

PO Box 4294

Houston TX 77210-4294

LETTER OF VIOLATION - Inspection

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.

| | | INSPECTIO | N DETAIL | SECTION | , | | |
|---|--|--|------------|---|--|-------------------|--|
| EAST EUMONT UNIT No.049 Inspection Date Type Inspection | | 049 Inspector | Violation? | N-15-19S-37E *Significant Non-Compliance? | 30-025-05598-00- Corrective Action Due By: | 00 Inspection No. | |
| 03/06/2008 | Routine/Period Violations Surface Damage/R | | Yes | No | 3/27/2008 | iLWH0806639089 | |
| Comments | - | P/A -NOT READY to release.CM SECOND NOTICE | Γ. BASE ON | LOCATION NEEDS | TO BE REMOVED, | , | |
| EAST EUMONT UNIT No.054 Inspection Date Type Inspection | | 054 Inspector | Violation? | F-22-19S-37E *Significant Non-Compliance? | 30-025-05684-00- Corrective Action Due By: | 00 Inspection No. | |
| 03/06/2008 | Routine/Period Violations Surface Damage/R | | Yes | No . | 6/9/2008 | iLWH0806640296 | |
| Comments on Inspection: | | P/A -NOT READY to release. MARKER HAS WRONG FOOTAGE, HAS "660 FNL", SHOULD BE "1980 FNL". FIRST NOTICE | | | | | |

| MVFDCI | ANCLIE | MATTIY | IINIT No 011 |
|--------|--------|--------|--------------|

B-25-23S-36E

30-025-09424-00-00

Inspection Date

03/06/2008

Type Inspection Routine/Periodic

Violation? Inspector

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

Violations

Buddy Hill

Yes

No

3/27/2008

iLWH0806657353

Surface Damage/Restoration

Comments on Inspection:

P/A -NOT READY to release, JUNK PIPE AND ORPHANED TANK BATTERY ON LOCATION NEED TO BE REMOVED BEFORE RELEASE..SECOND NOTICE

MYERS LANGLIE MATTIX UNIT No.090

Routine/Periodic

L-33-23S-37E

30-025-10923-00-00

Inspection Date 03/06/2008

Type Inspection

Inspector **Buddy Hill** Violation? Yes

*Significant Non-Compliance? No

Corrective Action Due By: 6/9/2008

Inspection No. iLWH0806659381

Violations

Surface Damage/Restoration

Comments on Inspection:

P/A -NOT READY to release. TBG. ANCHOR, CMT. PUMPING UNIT BASE NEED TO BE REMOVED, PUMPING UNIT PAD NEEDS LEVELED BEFORE RELEASE..FIRST NOTICE

MYERS LANGLIE MATTIX UNIT No.144

G-5-24S-37E

30-025-11017-00-00

Inspection Date 03/06/2008

Type Inspection Routine/Periodic Inspector **Buddy Hill** Violation? Yes

*Significant Non-Compliance? No

Corrective Action Due By: 6/9/2008

Inspection No. iLWH0806660341

Violations

Absent Well Identification Signs (Rule 103)

Comments on Inspection:

No Well Sign (Rule 103). NEEDS WELL SIGN ON LOCATION..FIRST NOTICE

STATE N No.007

N-2-22S-36E

30-025-32777-00-00

Inspection Date 03/06/2008

Type Inspection Routine/Periodic

Inspector **Buddy Hill** Violation? Yes

*Significant Non-Compliance? No

Corrective Action Due By: 3/27/2008

Inspection No. iLWH0806654193

Violations

Surface Damage/Restoration

Comments on Inspection:

P/A -NOT READY to release. PUMPING UNIT BASE ON LOCATION, PIT PLASTIC FLAGS

IN PIT AREA NEED TO BE REMOVED BEFORE RELEASE..SECOND NOTICE

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 Divison Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

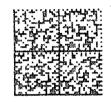
Sincerely.

COMPLIANCE OFFICER

Hobbs OCD District Office

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



014H15215335 BB V S O A 1 Q S O A 1

OXY USA WTP LP P O BOX 4294 HOUSTON, TX 77210