

4008 N. Grimes PMB-269 Hobbs, NM 88240 575-397-8237 Office 575-397-8205 Fax

June 9, 2008

NMOCD 1625 N. French Drive Hobbs, New Mexico 88240

Re: East Eumont Unit #49 Inspection # iLWH0806639089 N-15-19S-37E 30-025-05598-00-00

> East Eumont Unit #54 Inspection # iLWH0806640296 F-22-19S-37E 30-025-05684-00-00

Myers Langlie Mattix Unit #90 Inspection # iLWH08066659381 L-33-23S-37E 30-025-10923-00-00

Myers Langlie Mattix Unit #144 Inspection # iLWH0806660341 G-5-24S-37E 30-025-11017-00-00

State N #7 Inspection # iLWH0806654193 N-2-22S-36E 30-025-32777-00-00

Attention: Buddy Hill

Dear Mr. Hill:

All surface damage/restoration violations for the above referenced wells have been corrected as of 6/2/2008, and ready for your inspection with the exception of inspection # iLWH0806657353 for the Myers Langlie Mattix Unit #11. Per conversation with CJ, the equipment has been removed but the restoration of the well has been put on hold due to complications with the landowner. If you have any questions, please call me at 575-397-8216.

Sincerely,

CJ Summers HES Specialist Lea County, Hobbs Office 575-397-8236



JUN 1 1 2008 HOBBS OCD

0K 9.08





TO WHOMEVER IT MAY CONCERN

AS THE SURFACE OWNER OF RECORD FOR THE LAND IN THE FOLLOWING DESCRIPTION THAT HAS PREVIOUSLY BEEN THE WELL SITE FOR OXY USA WTP LP.

I 33 238 37F				
L, 33, 233, 37E				
_	L, 33, 23S, 37E			

IT IS MY REQUEST THAT AFTER OXY USA WTP LP HAS PLUGGED THE WELL AND REMOVED ALL EQUIPMENT AND TRASH FROM THE PAD, THAT THEY NOT DISTURB THE REMAINING OLD PAD SITE BY REMOVING CALICHE AND OLD PUMPING UNIT CEMENT BASE.

IF SOME AGENCY OR POLICY REQUIRES ANYTHING DIFFERENT OXY, IT IS MY REQUEST THAT YOU FOLLOW MY PREFERENCE.

IN NO WAY IS THIS AN ASSUMPTION OF ANY LIABILITY EXISTING OR PERCEIVED.

DATED 5-30-08

SIGNATURE (finning J. Bloom





NEW MEXICO ENERGY, MINERALS 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.

INSPECTION DETAIL SECTION

EAST EUN	ON 1 UNIT NO.049			N-15-19S-37E	30-025-05598-00-(00
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
03/06/2008	Routine/Periodic	Buddy Hill	Yes	No		iLWH0806639089
	Violations	·				121100000037007

EAST FUMONT UNIT No 040

Surface Damage/Restoration

Comments on Inspection: P/A -NOT READY to release.CMT. BASE ON LOCATION NEEDS TO BE REMOVED,

SECOND NOTICE EAST EUMONT UNIT No.054

EAST EUM	ONT UNIT No.054			F-22-19S-37E	30-025-05684-00-0	00
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
03/06/2008	Routine/Periodic	Buddy Hill	Yes	No	• • • • • • • • • • • • • • • • • • • •	iLWH0806640296

Violations

Surface Damage/Restoration

Comments on Inspection: P/A -NOT READY to release. MARKER HAS WRONG FOOTAGE, HAS "660 FNL", SHOULD BE "1980 FNL". FIRST NOTICE

> Oil Conservation Division * 1625 N French Drive * Hobbs, New Mexico 88240 Phone 505-393-6161 * Fax 505-393-0720 * http://www.emnrd.state.nm.us

MYERS LANGLIE MATTIX UNIT No.011

Routine/Periodic

B-25-23S-36E

30-025-09424-00-00

Inspection

03/06/2008

Type Inspection Date

Inspector Buddy Hill Violation? Yes

*Significant Non-Compliance? No

Corrective Action Due By: 3/27/2008

Inspection No.

Comments on Inspection:

Violations

Surface Damage/Restoration

LOCATION NEED TO BE REMOVED BEFORE RELEASE, SECOND NOTICE

P/A -NOT READY to release. JUNK PIPE AND ORPHANED TANK BATTERY ON

iLWH0806657353

MYERS LANGLIE MATTIX UNIT No.090

L-33-23S-37E

No

30-025-10923-00-00

Inspection Date

Type Inspection

Inspector

*Significant Violation? Non-Compliance?

Corrective Action Due By:

Inspection No.

03/06/2008

Routine/Periodic

Buddy Hill

Yes

6/9/2008

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

Routine/Periodic

Routine/Periodic

G-5-24S-37E

N-2-22S-36E

30-025-11017-00-00 *Significant Corrective

Inspection Date

03/06/2008

Type Inspection

Inspector Violation? Buddy Hill

Yes

Non-Compliance? No

Action Due By:

Inspection No.

Violations

Absent Well Identification Signs (Rule 103)

6/9/2008 iLWH0806660341

Comments on Inspection:

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

STATE N No.007

Date

03/06/2008

Inspection Type Inspection Inspector Buddy Hill Violation?

Yes

*Significant Non-Compliance?

No

30-025-32777-00-00 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

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.

plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.