

NEW MEXICO ENERGY, MINERALS NATURAL RESOURCES DEPARTMEN

BILL RICHARDSON

Governor Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E. Director Oil Conservation Division

Field Inspection Program "Preserving the Integrity of Our Environment"

29-Oct-08

APACHE CORP 6120 S YALE SUITE 1500 TULSA OK 74136-4224

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

NORTH MONUMENT G/SA UNIT No.016

P-31-19S-37E 30-025-05764-00-00

Inspection

Type Inspection

Inspector

*Significant Violation? Non-Compliance?

Corrective Action Due By:

Inspection No.

Date 10/17/2008

Bradenhead

Sylvia Dickey

No

1/20/2009

iSAD0830346184

Comments on Inspection:

Yes OPERATOR WILL MONITOR CASING; BUILDS BACK UP; SHOW OF WATER;

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.

Hobbs (CD 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

FIRST CLASS



017H15554612 \$0.839 10/29/2008 Mailed From 88240

APACHE CORPORATION ATTN: MIKE WARREN/JIM ELLISON DRAWER D MONUMENT, NM 88265 EMNRD
OIL CONSERVATION DIVISION
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HOBBS NM 88240

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