

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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"

15-Feb-10

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.

NORTHEA	ST DRINKARD UNI	T No.323	R-2-21S-37E	30-025-06361-00-00						
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.				
02/10/2010	Routine/Periodic	Mark Whitaker	Yes	No	5/16/2010	iMAW1004150069				
	Violations									
	Absent Well Identification Signs (Rule 103)									
Comments	on Inspection: No wel	ll Sign (Rule 19.15.16.8). NE	ED TO INST	TALL WELL SIGN. 1	st notice. MW					
STATE SECTION 2 No.005				L-2-21S-37E	30-025-06371-00	-00				
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.				
02/10/2010	Routine/Periodic	Mark Whitaker	Yes	No	5/16/2010	iMAW1004147839				
	Violations									
	Absent Well Identification Signs (Rule 103)									
Comments	on Inspection: No well MW	l Sign (Rule 19.15.16.8). NE	ED TO INST	TALL WELL SIGN. 1	st letter of non-comp	liance.				

STATE SECTION 2 No.010 Inspection Date Type Inspection			Inspector	Violation?	L-2-21S-37E *Significant Non-Compliance?	30-025-06376-00- Corrective Action Due By:	.00 Inspection No.
02/10/2010	Routine/Periodic Violations Detection of Deficient MI (Rules 10		Mark Whitaker	Yes	No	3/10/2010	iMAW1004148098
Comments	on Inspection:	T/A status ex MW	pired. NEED TO SCHI	EDULE T/A	STATUS TEST. 1st r	notice of non-complian	nce.
STATE SEC	CTION 2 No.0 Type Inspectio		Inspector	Violation?	F-2-21S-37E *Significant Non-Compliance?	30-025-06379-00- Corrective Action Due By:	.00 Inspection No.
02/10/2010	Routine/Perio Violations Absent Well Ide		Mark Whitaker (Rule 103)	Yes	No	5/16/2010	iMAW1004149066
Comments	on Inspection:	No well Sign MW	(Rule 19.15.16.8). NE	ED TO INST	FALL NEW SIGN. 1s	t notice of non-compl	iance.
STATE SEC	Type Inspectio		Inspector	Violation?	T-2-21S-37E *Significant Non-Compliance?	30-025-06489-00- Corrective Action Due By:	00 Inspection No.
02/10/2010	Routine/Perio		Mark Whitaker	Yes	No	5/16/2010	iMAW1004148447
Comments	on Inspection:	T/A status ex MW	pired. NEED TO SCHI	EDULE T/A	STATUS TEST. 1st r	notice of non-complia	nce.
SOUTH EU	NICE SEVEN	RIVERS O	UEEN UNIT No.434	4	D-25-22S-36E	30-025-28447-00-	-00

Violations
Absent Well Identification Signs (Rule 103)

Comments on Inspection: No well Sign (Rule 19.15.16.8). NEED TO INSTALL WELL SIGN. 1st notice. MW

Violation?

Yes

Inspector

Mark Whitaker

*Significant

Non-Compliance?

No

Corrective

Action Due By: 5/17/2010

Inspection No.

iMAW1004239087

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,

Inspection

Date

02/11/2010

Type Inspection

Routine/Periodic

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



017H15554612 \$0.440 \$0.440 02/15/2010

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