

Bill Richardson

Governor

Jim Noel Cabinet Secretary

Karen W. Garcia
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

21-Jul-10

OXY USA INC. 1017 W. STANOLIND RD. HOBBS, NM 88240

LETTER OF VIOLATION - Inspection

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

Violation?

Yes

STATE AR No.001

Inspection
Date Type Inspection

07/19/2010 Bradenhead Comments on Inspection:

B-30-17S-35E **30-025-25674-00-00**

No

*Significant Corrective Non-Compliance? Action Due By:

Action Due By: Inspection No. 10/22/2010 iSAD1020048944

*******TONY SUMMERS WILL HAVE ROUSTABOUT CREW VERIFY INT. / SURF/ WILL

CALL ME TO RECHECK ****** BUCKEYE WELL

Sylvia Dickey

Inspector



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 OCD 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



017H15554612

CO 440

\$0.44<u>0</u>

US POSTAGE

07/21/2010

Mailed From 88240

OXY USA INC. 1017 W. STANOLIND RD. HOBBS, NM 88240