



# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**

Governor

**Jim Noel**

Cabinet Secretary

**Karen W. Garcia**

Deputy Cabinet Secretary

**Mark Fesmire**

Division Director

**Oil Conservation Division**



11-Aug-10

**PRIDE ENERGY COMPANY**

P.O. BOX 701602

TULSA OK 74170-1602

**LETTER OF VIOLATION and SHUT-IN DIRECTIVE**  
**Failed Mechanical Integrity Test**

Dear Operator:

The following test(s) were performed on the listed dates on the following well(s) shown below in the test detail section.

The test(s) indicates that the well or wells failed to meet mechanical integrity standards of the New Mexico Oil Conservation Division. To comply with guidelines established by the U.S. Environmental Protection Agency, the well(s) must be shut-in immediately until it is successfully repaired. The test detail section which follows indicates preliminary findings and/or probable causes of the failure. This determination is based on a test of your well or facility by an inspector employed by the Oil Conservation Division. Additional testing during the repair operation may be necessary to properly identify the nature of the well failure.

Please notify the proper district office of the Division at least 48 hours prior to the date and time that the well(s) will be retested so the test may be witnessed by a field representative.

***MECHANICAL INTEGRITY TEST DETAIL SECTION***

**SOUTH FOUR LAKES UNIT No.005**

Active Salt Water Disposal Well

**30-025-01833-00-00**

C-2-12S-34E

**Test Date:** 8/11/2010

**Permitted Injection PSI:**

**Actual PSI:**

**Test Reason:** Annual IMIT

**Test Result:** F

**Repair Due:** 11/14/2010

**Test Type:** Bradenhead Test

**FAIL TYPE:** Other Internal Failure

**FAIL CAUSE:**

**Comments on MIT:** PER OPERATOR REP. CONCEDES AS FAILED WELL WILL NOT HOLD MECHANICAL INTEGRITY;  
\*\*\*\*OPERATOR IN VIOLATIO OF NMOCDD RULE 19.15.26.11\*\*\*\*\*

**SOUTH FOUR LAKES UNIT No.006**

Approved TA Salt Water Disposal Well

**30-025-01834-00-00**

I-2-12S-34E

**Test Date:** 8/11/2010

**Permitted Injection PSI:**

**Actual PSI:**

**Test Reason:** Annual IMIT

**Test Result:** F

**Repair Due:** 11/14/2010

**Test Type:** Bradenhead Test

**FAIL TYPE:** Other Internal Failure

**FAIL CAUSE:**

**Comments on MIT:** OCD REP. PERFORMED TEST; 2" RISER ABOVE GROUND SHOWS OILY FLUID AND PRESSURE; DID NOT ATTEMPT TO BLEED DOWN; CONTACTED PUMPER; SHANE FERGUSON WILL GAGE AND BLEED 2" DOWN; ALSO NEED TO DIG OUT TO DETERMINE WHETHER 2" IS SURFACE OR INTERMEDIATE; PRIOR WELLBORE SCHEMATIC SHOWS 7", 9 5/8" AND 13 3/8";

Oil Conservation Division

1625 French Drive • Hobbs, New Mexico 88240

Phone (575) 393-6161 • Fax (575) 393-0720 • [www.emnrd.state.nm.us/OCD](http://www.emnrd.state.nm.us/OCD)



**NM 83 STATE SWD No.001**

**30-025-23516-00-00**

Active Salt Water Disposal Well

J-33-14S-34E

Test Date: 8/11/2010 Permitted Injection PSI: Actual PSI:  
Test Reason: Annual IMIT Test Result: F Repair Due: 11/14/2010  
Test Type: Bradenhead Test FAIL TYPE: Other Internal Failure FAIL CAUSE:  
Comments on MIT: NO Company Rep to witness test. \*\*\*\*OPERATOR IN VIOLATION OF NMOCD RULE  
19.15.26.11 \*\*\*\*\*Operator needs to TA, P&A or place back on active status\*\*\*\*\*

**SOUTH FOUR LAKES UNIT No.008**

**30-025-29533-00-00**

Active Salt Water Disposal Well

A-2-12S-34E

Test Date: 8/11/2010 Permitted Injection PSI: Actual PSI:  
Test Reason: Annual IMIT Test Result: F Repair Due: 11/14/2010  
Test Type: Bradenhead Test FAIL TYPE: Other Internal Failure FAIL CAUSE:  
Comments on MIT: PER OPERATOR REP. CONCEDES AS FAILED WELL WILL NOT HOLD MECHANICAL INTEGRITY;  
\*\*\*\*OPERATOR IN VIOLATION OF NMOCD RULE 19.15.26.11\*\*\*\*\*

**SOUTH FOUR LAKES UNIT No.013**

**30-025-36528-00-00**

Active Salt Water Disposal Well

L-1-12S-34E

Test Date: 8/11/2010 Permitted Injection PSI: Actual PSI:  
Test Reason: Annual IMIT Test Result: F Repair Due: 11/14/2010  
Test Type: Bradenhead Test FAIL TYPE: Other Internal Failure FAIL CAUSE:  
Comments on MIT: FAILED BHT; UNABLE TO TEST SURFACE CASING; \*\*\*\*OPERATOR IN VIOLATION OF NMOCD RULE  
19.16.26.11\*\*\*\*\*

**PADUCA DELAWARE 16 STATE No.001**

**30-025-37308-00-00**

Active Injection - (All Types)

C-16-25S-32E

Test Date: 8/11/2010 Permitted Injection PSI: Actual PSI:  
Test Reason: Annual IMIT Test Result: F Repair Due: 11/14/2010  
Test Type: Bradenhead Test FAIL TYPE: Other Internal Failure FAIL CAUSE:  
Comments on MIT: WELL FAILED BHT; CASING WAS TIED TO SAME INJECTION LINE TIED INTO TUBING;  
INFORMED MATT PRIDE OF SURFACE EQUIPMENT AND FAILED WELL RESULTS; CASING 140#  
AND TUBING 140#; \*\*\*\*OPERATOR IN VIOLATION OF NMOCD RULE 19.15.26.11\*\*\*\*\*

In the event that a satisfactory response is not received to this letter of direction by the "Repair Due:" date shown above, or if the well(s) are not immediately shut-in, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division 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.

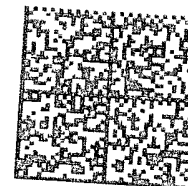
Sincerely,  


Hobbs OCD District Office

**COMPLIANCE OFFICER**

Note: Pressure Tests are performed prior to initial injection, after repairs and otherwise, every 5 years; Bradenhead Tests are performed annually. Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data. "Failure Type" and "Failure Cause" and any Comments are not to be interpreted as a diagnosis of the condition of the wellbore. Additional testing should be conducted by the operator to accurately determine the nature of the actual failure. \* 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



HASLER 017H15554612  
**\$0.440**  
08/11/2010  
Mailed From 88240

US POSTAGE

PRIDE ENERGY COMPANY  
P.O. BOX 701602  
TULSA, OK 74170