State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin

Cabinet Secretary

David Catanach, Director

Oil Conservation Division



Tony Delfin

Deputy Cabinet Secretary

Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

11-Jul-16

BREITBURN OPERATING LP

1401 MCKINNEY STREET SUITE 2400 HOUSTON TX 77010

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.

		INSPECTIO	N DETAIL	SECTION		
STATE 14 (Inspection Date	C No.001 Type Inspection	Inspector	Violation?	C-13-18S-28E *Significant Non-Compliance?	30-015-01838-00-0 Corrective Action Due By:	Inspection No.
07/11/2016	Routine/Periodic Violations Absent Well Identification S	Tony Morales	Yes	No	10/14/2016	iTM1619335165
Comments	on Inspection: OK, All I	Equipment and Location in	Good Shape	. PJ. LOCATION	SIGN NOT VISIBLE	
STATE 14 C No.002 Inspection			Violation?	D-13-18S-28E 30-015-01839-00-00 *Significant Corrective Action Due By: Inspection No.		
Date	Type Inspection	Inspector		Non-Compliance?	Action Due By:	•
07/11/2016	Routine/Periodic Violations General Housekeeping (Rule	Tony Morales	Yes	No	10/14/2016	iTM1619335518
Comments		Equipment and Location in ON SIGN WORN	Good Shape	. PJ, STAINING AR	OUND WELL HEAD).

STATE 14 A No.001 D-14-18S-28E 30-015-01853-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 07/11/2016 Routine/Periodic Tony Morales Yes No 10/14/2016 iTM1619339499 Violations Absent Well Identification Signs (Rule 103) Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ LOCATION SIGN NOT VISIBLE. **STATE 14 B No.003** F-14-18S-28E 30-015-01855-00-00 Inspection *Significant Corrective Type Inspection Inspection No. Inspector Violation? Date Non-Compliance? Action Due By: 07/11/2016 Routine/Periodic Tony Morales Yes No 10/14/2016 iTM1619338957 Violations Absent Well Identification Signs (Rule 103) Comments on Inspection: OK. All Equipment and Location in Good Shape. LOCATION SIGN NOT VISIBLE. **STATE 14 C No.006** A-14-18S-28E 30-015-01859-00-00 Inspection *Significant Corrective Type Inspection Violation? Inspection No. Date Inspector Non-Compliance? Action Due By: 07/11/2016 Routine/Periodic Tony Morales Yes 10/14/2016 iTM1619336370 No Violations Absent Well Identification Signs (Rule 103) General Housekeeping (Rule 114) Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ OLD TANK BATTERIES TREATERS SEPARATORS ON BATTERY LOCATION **STATE 14 C No.009** M-14-18S-28E 30-015-01862-00-00 Inspection *Significant Corrective Type Inspection Violation? Inspection No. Inspector Date Non-Compliance? **Action Due By:** 07/11/2016 Routine/Periodic Yes No 10/14/2016 iTM1619341267 Tony Morales Violations General Housekeeping (Rule 114) Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ. STAINING AROUND WELL HEAD+ STAINED AREA APPROX 10' X 35' STATE 647 AC 713 No.124 I-14-18S-28E 30-015-01869-00-00 Inspection *Significant Corrective Inspection No. Type Inspection Violation? Inspector Date Non-Compliance? Action Due By: 07/11/2016 Routine/Periodic Tony Morales Yes No 10/14/2016 iTM1619342285 Violations Absent Well Identification Signs (Rule 103) General Housekeeping (Rule 114) Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ. STAINING AROUND WELL HEAD LOCATION SIGN NOT VISIBLE. STATE 647 AC 713 No.131 J-15-18S-28E 30-015-01870-00-00 *Significant Inspection Corrective Type Inspection Violation? Inspection No. Inspector Date Non-Compliance? Action Due By: 07/11/2016 Routine/Periodic **Tony Morales** Yes No 10/14/2016 iTM1619347945 Violations General Housekeeping (Rule 114) Comments on Inspection: OK. All Equipment and Location in Good Shape. PJO. STAINING AROUND WELL HEAD. TANK BATTERIES OK. OLD TANK ON LOCATION **STATE E 1286** D-15-18S-28E 30-015-01880-00-00 No.126 Inspection *Significant Corrective **Type Inspection** Violation? Inspection No. Inspector Non-Compliance? Date Action Due By: 07/11/2016 Routine/Periodic Tony Morales Yes No 10/14/2016 iTM1619349792 Violations Absent Well Identification Signs (Rule 103) Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ. STAINING AROUND WELL HEAD. WRONG OPERATOR ON LOCATION SIGN, POWER OFF

STATE E 1286 No.128

E-15-18S-28E

30-015-01881-00-00

Inspection Date 07/11/2016

Type Inspection Routine/Periodic Inspector

Tony Morales

Violation? Yes

*Significant

Corrective

Inspection No. Non-Compliance? Action Due By: No 10/14/2016 iTM1619350199

Violations

Absent Well Identification Signs (Rule 103)

Comments on Inspection:

OK. All Equipment and Location in Good Shape. PJ. STAINING AROUND WELL HEAD.

WRONG OPERATOR ON LOCATION SIGN

STATE 647 AC 713 No.140

K-14-18S-28E

30-015-29079-00-00

Inspection

Type Inspection Date

Inspector Violation?

*Significant Non-Compliance? Corrective

Inspection No.

07/11/2016 Routine/Periodic Tony Morales

Yes

No 10/14/2016

Action Due By:

iTM1619340670

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape. PJ. STAINING AROUND WELL HEAD

CONTAMINATED MATERIAL ON LOCATION

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.

Sincerely,

Artesia 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.