State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary

Tony Delfin Deputy Cabinet Secretary **David Catanach, Director** Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

13-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.

 INSPECTION DETAIL	SECTION
INSPECTION DETAIL	SECTION

HUMBLE S Inspection Date	STATE No.002 Type Inspection	Inspector	Violation?	A-20-18S-28E *Significant Non-Compliance?	30-015-01957-00- Corrective Action Due By:	00 Inspection No.
07/13/2016	Routine/Periodic Violations	Tony Morales	Yes	No	10/16/2016	iTM1619540836
<i>a i</i>	Absent Well Identification S	•				
Comments	on Inspection: OK. All	Equipment and Location in	Good Shape.	PJ. LOCATION SIG	JN NOT VISIBLE	
WESTERN	YATES STATE No.00	2		E-20-18S-28E	30-015-01960-00-0	00
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/13/2016	Routine/Periodic Violations	Tony Morales	Yes	No	10/16/2016	iTM1619541772
	General Housekeeping (Rule	: 114)				
Comments		Equipment and Location in KED 55 GALLON DRUM	•	•••	SIGN WORN OLD	

VANDEVE Inspection Date	NTER STAT Type Inspecti	۰.	Inspector	Violation?	B-20-18S-28E *Significant Non-Compliance?	30-015-20103-00- Corrective Action Due By:	00 Inspection No.
07/13/2016	Routine/Periodic		Tony Morales	Yes	No	10/16/2016	iTM1619539370
	Violations Idle well (Rule	201)					
Comments on Inspection:		OK. All Equip LOCATION S	. All Equipment and Location in Good Shape. CATION SIGN NOT VISIBLE		PJO. STAINING AROUND WELL HEAD.		

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.