State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary Heather Riley Division Director



Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

03-Jul-18

BURNETT OIL CO INC

Burnett Plaza, Suite 1500 801 Cherry St., Unit 9 Fort Worth TX 76102-6102

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		
GRAYBUR Inspection Date	G JACKSON Type Inspection	S A UNIT No.0	36 Inspector	Violation?	I-12-17S-30E *Significant Non-Compliance?	30-015-04128-00-0 Corrective Action Due By:	O Inspection No.
07/03/2018	Routine/Perio	dic	Tony Morales	Yes	No	10/6/2018	iTM1818447408
Comments of	on Inspection:	OK. All Equipm 19.15.29	ent and Location in	Good Shape.	PJO. STAINING A	ROUND WELL HEAI)
GISSLER B Inspection Date	No.005 Type Inspection		Inspector	Violation?	J-23-17S-30E *Significant Non-Compliance?	30-015-04300-00-0 Corrective Action Due By:	0 Inspection No.
07/03/2018	Routine/Perio	dic	Tony Morales	Yes	No	10/6/2018	iTM1818431903
Comments of	on Inspection:		ent and Location in LHEAD / LOCATI			GN WORN STAININ	G
GISSLER B	No.012				I-23-17S-30E	30-015-04302-00-0	0
Inspection Date	Type Inspection	I	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/03/2018	Routine/Perio	dic	Tony Morales	Yes	No	10/6/2018	iTM1818432419
Comments of	on Inspection:		ent an Location in 6 3N WORN FADED		PJO. STAINING AF	ROUND WELL HEAD	

Inspection	B No.024				L-24-17S-30E *Significant	30-015-04320-00-0 Corrective	0
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
07/03/2018	Routine/Peric		Tony Morales	Yes	No		iTM1818432803
Comments o	on Inspection:		nent and Location in A APPROX 60' SC			DUND WELL HEAD+	
JACKSON	B	No.034			E-24-17S-30E	30-015-27440-00-0	0
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/03/2018	Routine/Peric	odic	Tony Morales	Yes	No	•	iTM1818436033
Comments o	on Inspection:	OK. All Equipm 19.15.29	•		PJ STAINING ARC		
GISSLER B		No.030			G-23-17S-30E	30-015-27922-00-0	0
Inspection	Type Inspection		Inspector	Violation?	*Significant	Corrective	Increation No.
Date 07/03/2018	Routine/Peric		Tony Morales	Yiofattoit: Yes	Non-Compliance? No	Action Due By:	Inspection No.
	m Inspection:		•				iTM1818433619
	a inspection:	19.15.29	ient and Location in	i Good Shape.	PJU STAINING AI	ROUND WELLHEAD	
STEVENS A	No.010				L-13-17S-30E	30-015-32793-00-0	0
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant	Corrective	Inspection No.
07/03/2018	Routine/Peric		Tony Morales	Yes	Non-Compliance? No	Action Due By: 10/6/2018	iTM1818440905
	n Inspection:		-			OUND WELL HEAD	11101044090.
		19.15.29		r ooou shape.	TJ. STAINING AR	OUND WELL HEAD	
STEVENS A	No.011				F-13-17S-30E	30-015-33131-00-0	0
Inspection	Type Inspection	-	Inspector	Violation?	*Significant	Corrective	Inspection No.
Date 07/03/2018	Routine/Peric		Tony Morales	Yes	Non-Compliance? No	Action Due By: 10/6/2018	iTM1818444208
	on Inspection:		•		PJ. STAINING AR		111010444200
STEVENS A	<u> </u>	No.012			N-13-17S-30E	30-015-34225-00-0	0
Inspection	Type Inspection	n	Inspector	Violation?	*Significant	Corrective	Inspection No.
Date 07/03/2018	Routine/Peric		Tony Morales	Yes	Non-Compliance? No	Action Due By: 10/6/2018	iTM1818442078
	n Inspection:		•			ROUND WELLHEAD	11 1010442070
JACKSON A	A No.035				G-13-17S-30E	30-015-34502-00-0	0
T			• · · · · · ·		*Significant	Corrective	Inspection No.
Inspection Date	Type Inspection	1	Inspector	Violation?	Non Compliance?	Action Due Ry	
Date	Type Inspection Routine/Peric		Inspector Tony Morales	Violation? Yes	Non-Compliance? No	Action Due By: 10/6/2018	-
Date 07/03/2018	Type Inspection Routine/Peric on Inspection:	odic OK. All Equipm	Tony Morales Tony Morales tent and Location in TAINING AROUN	Yes 1 Good Shape	No PJ. CONTAMIN	Action Due By: 10/6/2018 ATED MATERIAL O	iTM1818445185
Date 07/03/2018 Comments o JACKSON	Routine/Peric n Inspection:	odic OK. All Equipm	Tony Morales tent and Location in	Yes 1 Good Shape	No PJ. CONTAMIN AD. 19.15.29 A-13-17S-30E	10/6/2018	iTM1818445185 N
Date 07/03/2018 Comments o JACKSON A Inspection	Routine/Pericon Inspection: A No.027Q	odic OK. All Equipm LOCATION. S	Tony Morales nent and Location in TAINING AROUN	Yes n Good Shape D WELL HE	No PJ. CONTAMIN AD. 19.15.29 A-13-17S-30E *Significant	10/6/2018 ATED MATERIAL O 30-015-34765-00-0 Corrective	iTM1818445185 N 0
Date 07/03/2018 Comments o JACKSON A Inspection Date	Routine/Pericon Inspection: A No.027Q Type Inspection	odic OK. All Equip n LOCATION. S	Tony Morales nent and Location in TAINING AROUN	Yes n Good Shape D WELL HE Violation?	No PJ. CONTAMIN AD. 19.15.29 A-13-17S-30E *Significant Non-Compliance?	10/6/2018 ATED MATERIAL O 30-015-34765-00-0 Corrective Action Due By:	iTM1818445185 N O Inspection No.
Date 07/03/2018 Comments of JACKSON A Inspection Date 07/03/2018	Routine/Pericon Inspection: A No.027Q	odic OK. All Equip m LOCATION. S n odic OK. All Equipm	Tony Morales nent and Location in TAINING AROUN Inspector Tony Morales	Yes n Good Shape D WELL HE Violation? Yes n Good Shape	No PJ. CONTAMIN AD. 19.15.29 A-13-17S-30E *Significant Non-Compliance? No PJ WRONG API O	10/6/2018 ATED MATERIAL O 30-015-34765-00-0 Corrective Action Due By: 10/6/2018	iTM1818445185 N O Inspection No.
Date 07/03/2018 Comments of JACKSON A Inspection Date 07/03/2018	Routine/Pericon Inspection: A No.027Q Type Inspection Routine/Pericon Inspection:	odic OK. All Equip m LOCATION. S n odic OK. All Equipm	Tony Morales nent and Location in TAINING AROUN Inspector Tony Morales nent and Location in	Yes n Good Shape D WELL HE Violation? Yes n Good Shape	No PJ. CONTAMIN AD. 19.15.29 A-13-17S-30E *Significant Non-Compliance? No PJ WRONG API O	10/6/2018 ATED MATERIAL O 30-015-34765-00-0 Corrective Action Due By: 10/6/2018	iTM1818445185 N 0 Inspection No. iTM1818446107
Date 07/03/2018 Comments of JACKSON 2 Inspection Date 07/03/2018 Comments of GISSLER B Inspection	Routine/Pericon Inspection: A No.027Q Type Inspection Routine/Pericon Inspection: No.095	odic OK. All Equipm LOCATION. S' n odic OK. All Equipm SIGNSHOULD	Tony Morales nent and Location in TAINING AROUN Inspector Tony Morales nent and Location in BE "34765" NOT 1	Yes n Good Shape D WELL HE Violation? Yes n Good Shape 34452 19.15.	No PJ. CONTAMIN AD. 19.15.29 A-13-17S-30E *Significant Non-Compliance? No PJ WRONG API O 16.8 D-24-17S-30E *Significant	10/6/2018 ATED MATERIAL O 30-015-34765-00-0 Corrective Action Due By: 10/6/2018 N LOCATION 30-015-41176-00-0 Corrective	iTM1818445185 N 0 Inspection No. iTM1818446107 0
Date 07/03/2018 Comments of JACKSON A Inspection Date 07/03/2018 Comments of GISSLER B	Routine/Pericon Inspection: A No.027Q Type Inspection Routine/Pericon Inspection:	odic OK. All Equipm LOCATION. S n odic OK. All Equipm SIGNSHOULD	Tony Morales nent and Location in TAINING AROUN Inspector Tony Morales nent and Location in	Yes n Good Shape D WELL HE Violation? Yes n Good Shape	No PJ. CONTAMIN AD. 19.15.29 A-13-17S-30E *Significant Non-Compliance? No PJ WRONG API O 16.8 D-24-17S-30E	10/6/2018 ATED MATERIAL O 30-015-34765-00-0 Corrective Action Due By: 10/6/2018 N LOCATION 30-015-41176-00-0	iTM1818445185 N 0 Inspection No. iTM1818446107

GISSLER A Inspection					B-23-17S-30E *Significant	30-015-41177-00-0 Corrective	0
Date	Type Inspection	1	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
07/03/2018	Routine/Perio	dic	Tony Morales	Yes	No	10/6/2018	iTM1818435095
Comments o	n Inspection:	OK. All Equipm 19.15.29	ent and Location ir	Good Shape.	PJO. STAINING A	ROUND WELL HEAI)
JACKSON A	4 No.044				P-12-17S-30E	30-015-41539-00-0	0
Date	Type Inspection	I	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/03/2018	Routine/Perio	dic	Tony Morales	Yes	No	10/6/2018	iTM1818446557
Comments o	n Inspection:	OK. All Equipm 19.15.29	ent and Location ir	Good Shape.	PJ STAINING AR	OUND WELL HEAD.	
GISSLER B Inspection Date	Type Inspection	No.104	Inspector	Violation?	H-23-17S-30E *Significant Non-Compliance?	30-015-41801-00-0 Corrective Action Due By:) Inspection No.
07/03/2018	Routine/Perio	dic	Tony Morales	Yes	No	10/6/2018	iTM1818434273
Comments o	n Inspection:	OK. All Equipm 19.15.29	ent and Location ir	Good Shape.	PJO STAINING A	ROUND WELLHEAD	
JACKSON I Inspection	B No.070				F-24-17S-30E *Significant	30-015-42043-00-0 Corrective	0
Date	Type Inspection	I	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
07/03/2018	Routine/Perio	dic	Tony Morales	Yes	No	10/6/2018	iTM1818443221
Comments o	n Inspection:	OK. All Equipm 19.15.29	ent and Location ir	i Good Shape.	PJO STAINING A	ROUND WELLHEAD	
JACKSON A		No.050	•		P-12-17S-30E *Significant	30-015-42212-00-0 Corrective	
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
07/03/2018	Routine/Perio		Tony Morales	Yes	No		iTM1818446991
Comments o	on Inspection:	OK. All Equipm 19.15.29	ent and Location ir	n Good Shape.	PJO STAINING A	ROUND 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.