State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

HOEBS OCD

David Martin

Cabinet Secretary-Designate

JUN 27 2013

Jami Bailey, Division Director Oil Conservation Division



Brett F. Woods, Ph.D. Deputy Cabinet Secretary

RECEIVED

Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

27-Jun-13

LEGACY RESERVES OPERATING, LP

P. O. BOX 10848 MIDLAND TX 79702

LETTER OF VIOLATION -

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

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Inspection
Date Type Inspection

Date Type Inspection 06/26/2013 Pressure Test

Inspector Sylvia Dickey Violation? Yes

I-14-25S-37E *Significant Non-Compliance? 30-025-32072-00-Corrective Action Due By:

9/29/2013

Inspection No. iSAD1317746949

Comments on Inspection:

***PER BHT SURVEY AND S/RPT C103 APRVD 6/25/2013 - OPERATOR IN VIOLATION OF NMOCD 19.15.26.10**OPERATIONS AND MAINTENANCE AND PERMIT ORDER REGARDING INJECTION PRESSURE"" OPERATOR'S APPROVED

PRESSURE LIMIT IS 1020 PSI. OPERATOR REPORTED PER BHT SURVEY 5/24/2013 1100 PSI.

JUN 27 2013

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.

Karland

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



015H14150977 \$0.46 \[\frac{\\$0.46}{06/27/13} \]

Mailed From 88240

Legacy Reserves Operating LP ATT: Kent Williams P O Box 10848 Midland, TX 79702

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