

# State Of New Mexico

## Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham  
Governor  
Sarah Cottrell Propst  
Cabinet Secretary  
Todd E. Leahy, JD, PhD  
Deputy Cabinet Secretary

Adrienne Sandoval  
Division Director



**"Response Required - Deadline  
Enclosed"**

*Field Inspection Program  
"Preserving the Integrity of Our Environment"*

23-Sep-19

**BURGUNDY OIL & GAS OF N M INC**  
505 N. Big Spring St.  
Suite 603  
Midland, TX 79701

**LETTER OF VIOLATION - Field Inspection**

Dear Operator:

The following inspection indicates that the well, equipment, location or operational status of the well 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 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***

[30-025-02168] STATE VACUUM UNIT #007

OGRID: 3044

E-32-17S-34E 1980 FNL 660 FWL

<b>Inspection Date</b> 9/19/2019	<b>Type Inspection</b> Routine Inspection	<b>Inspector</b> [GR] Gary Robinson	<b>Corrective Action Due By</b> 12/18/2019	<b>Inspection No.</b> iGR1926247268
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**Violations:**

**Rule**

19.15.26 Injection

**Comment:**

FAILED MIT, RULE: 10.15.26.11, WELL WOULD NOT PRESSURE UP, PUMPED 18 BBLs AND WOULD NOT BUILD OVER 110#, LARRY CONCEDED FAILURE, WELL WAS SHUT IN.

19.15 Oil and Gas

**Comment:**

Auto Generated Violation - MIT Failure exists.

**Violation**

Detection of Deficient  
Mechanical Integrity

Mechanical Integrity  
Failure Recorded

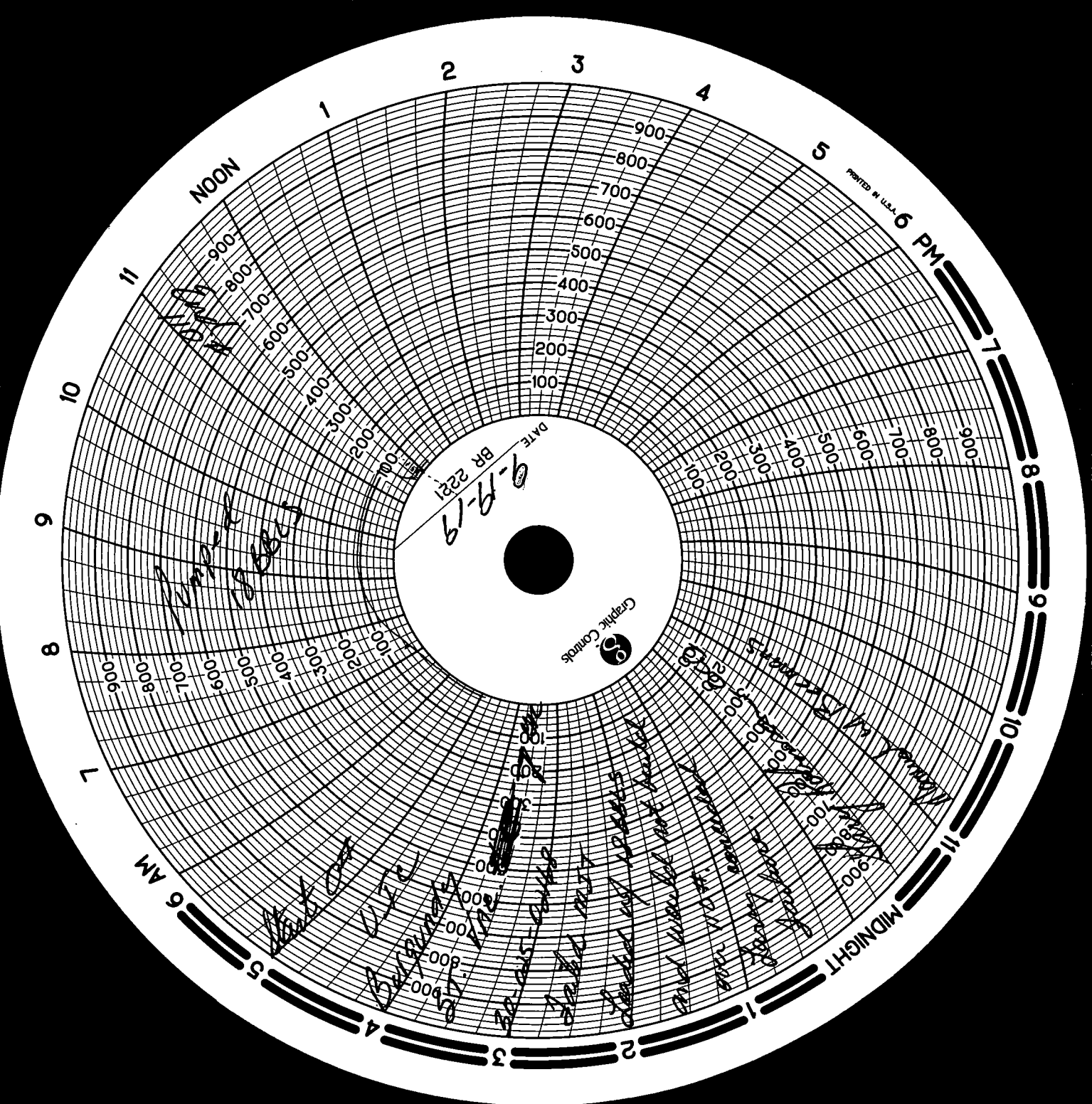
In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,

Hobbs OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

Oil Conservation Division \* 1625 N. French Drive \* Hobbs, NM 88240  
Phone: 575-393-6161 \* Fax: 575-393-0720 \* www.emnrd.state.nm.us



State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division Hobbs District Office

BRADENHEAD TEST REPORT

Operator Name <i>Burgandy</i>		API Number <i>30-025-02168</i>
Property Name <i>ST. VACCUM</i>		Well No. <i>#7</i>

1. Surface Location

UL - Lot <i>E</i>	Section <i>32</i>	Township <i>17S</i>	Range <i>34E</i>	Feet from <i>1980</i>	N/S Line <i>N</i>	Feet From <i>660</i>	E/W Line <i>W</i>	County <i>LEA</i>
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Well Status

TA'D WELL YES <input type="radio"/> NO <input checked="" type="radio"/>	SHUT-IN YES <input type="radio"/> NO <input checked="" type="radio"/>	INJECTOR <input checked="" type="radio"/> INJ	SWD	OIL	PRODUCER GAS	DATE <i>9-18-19</i>
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OBSERVED DATA

	(A)Surface	(B)Interm(1)	(C)Interm(2)	(D)Prod Csg	(E)Tubing
Pressure	<i>0</i>	<i>N/A</i>	<i>N/A</i>	<i>0</i>	<i>0</i>
Flow Characteristics					
Puff	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	CO2 <input checked="" type="checkbox"/> WTR <input type="checkbox"/> GAS <input type="checkbox"/>
Steady Flow	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	Type of Fluid
Surges	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	Injorted for
Down to nothing	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	Waterflood if
Gas or Oil	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	applies
Water	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	<i>Y/N</i>	

Remarks - Please state for each string (A,B,C,D,E) pertinent information regarding bleed down or continuous build up if applies.

*UIC  
m RT  
Failed m RT  
would not  
res. up.  
pumped  
18 BBLs +  
built 100 psi  
Lamy Conceded  
Failure.*

Signature:		OIL CONSERVATION DIVISION
Printed name:		Entered into RBDMS
Title:		Re-test
E-mail Address:		
Date:	Phone:	
	Witness: <i>Lamy</i>	

INSTRUCTIONS ON BACK OF THIS FORM