

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"

08-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

DUNN B FEDERAL No.013				A-10-18S-28E	30-015-01809-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.	
07/08/2016	Routine/Periodic	Tony Morales	Yes	No	10/11/2016	iTM1619042596	
Violations Absent Well Identification Signs (Rule 103)							
Comments on Inspection: OK. All Equipment and Location in Good Shape. LOCATION SIGN NOT VISIBLE.							
DUNN B FEDERAL No.023				D-10-18S-28E	30-015-01815-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.	
07/08/2016	Routine/Periodic	Tony Morales	Yes	No	10/11/2016	iTM1619035958	
Violations Absent Well Identification Signs (Rule 103) General Housekeeping (Rule 114)							
Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ. LOCATION SIGN NOT VISIBLE. STAINING AROUND WELL HEAD							

DUNN B FEDERAL No.018 C-11-18S-28E 30-015-01825-00-00
 Inspection Date: 07/08/2016 Type Inspection: Routine/Periodic Inspector: Tony Morales Violation?: Yes *Significant Non-Compliance?: No Corrective Action Due By: 10/11/2016 Inspection No.: iTM1619043230
 Violations: Absent Well Identification Signs (Rule 103)
 Comments on Inspection: OK. All Equipment and Location in Good Shape. LOCATION SIGN NOT VISIBLE.

DUNN B FEDERAL No.006 M-12-18S-28E 30-015-01832-00-00
 Inspection Date: 07/08/2016 Type Inspection: Routine/Periodic Inspector: Tony Morales Violation?: Yes *Significant Non-Compliance?: No Corrective Action Due By: 10/11/2016 Inspection No.: iTM1619047337
 Violations: Surface Leaks/Spills
 Comments on Inspection: OK. All Equipment and Location in Good Shape. LEAK STAINING ON FLOWLINE NE OF LOCATION. STAINED AREA APPROX 15'X 40'

DUNN B FEDERAL No.009 J-12-18S-28E 30-015-01835-00-00
 Inspection Date: 07/08/2016 Type Inspection: Routine/Periodic Inspector: Tony Morales Violation?: Yes *Significant Non-Compliance?: No Corrective Action Due By: 10/11/2016 Inspection No.: iTM1619048056
 Violations: Absent Well Identification Signs (Rule 103)
 Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ. LOCATION SIGN NOT VISIBLE

DUNN B FEDERAL No.007 N-12-18S-28E 30-015-02683-00-00
 Inspection Date: 07/08/2016 Type Inspection: Routine/Periodic Inspector: Tony Morales Violation?: Yes *Significant Non-Compliance?: No Corrective Action Due By: 10/11/2016 Inspection No.: iTM1619047592
 Violations: Absent Well Identification Signs (Rule 103)
 Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ. STAINING AROUND WELL HEAD. LOCATION SIGN NOT VISIBLE

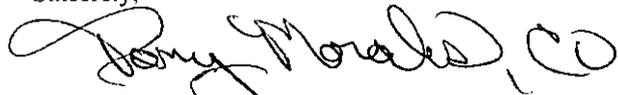
DUNN B FEDERAL No.037 E-10-18S-28E 30-015-23225-00-00
 Inspection Date: 07/08/2016 Type Inspection: Routine/Periodic Inspector: Tony Morales Violation?: Yes *Significant Non-Compliance?: No Corrective Action Due By: 10/11/2016 Inspection No.: iTM1619036379
 Violations: Absent Well Identification Signs (Rule 103)
 Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ. LOCATION SIGN NOT VISIBLE

DUNN B FEDERAL No.038 G-10-18S-28E 30-015-28244-00-00
 Inspection Date: 07/08/2016 Type Inspection: Routine/Periodic Inspector: Tony Morales Violation?: Yes *Significant Non-Compliance?: No Corrective Action Due By: 10/11/2016 Inspection No.: iTM1619041959
 Violations: Absent Well Identification Signs (Rule 103)
 General Housekeeping (Rule 114)
 Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ. WELL HEAD LEAKING LOCATION SIGN NOT VISIBLE.

DUNN B FEDERAL No.046 G-10-18S-28E 30-015-28247-00-00
 Inspection Date: 07/08/2016 Type Inspection: Routine/Periodic Inspector: Tony Morales Violation?: Yes *Significant Non-Compliance?: No Corrective Action Due By: 10/11/2016 Inspection No.: iTM1619041171
 Violations: General Housekeeping (Rule 114)
 Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ. STAINING AROUND WELL HEAD STAINED AREA APPROX 5' X 15'

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,

A handwritten signature in black ink, appearing to read "Tony Morales", with a stylized flourish at the end.

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.