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"

09-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		
GISSLER A Inspection Date	No.014 Type Inspection		Inspector	Violation?	A-14-17S-30E *Significant Non-Compliance?	30-015-25765-00-0 Corrective Action Due By:) Inspection No.
07/09/2018	Routine/Period	ic	Tony Morales	Yes	No	10/12/2018	iTM1819041048
Comments o		OK. All Equipm 19.15.29	ent and Location ir	n Good Shape.	PJ. STAINING AR	OUND WELL HEAD	
GISSLER B Inspection Date	Type Inspection	No.036	Inspector	Violation?	F-14-17S-30E *Significant Non-Compliance?	30-015-34022-00-0 Corrective Action Due By:) Inspection No.
07/09/2018	Routine/Period	lic	Tony Morales	Yes	No	10/12/2018	iTM1819043659
Comments of			ent and Location in TANK ON LOCA		PJO STAINING A	ROUND WELLHEAD	
GISSLER B Inspection Date	No.037 Type Inspection		Inspector	Violation?	D-14-17S-30E *Significant Non-Compliance?	30-015-34688-00-0 Corrective Action Due By:	O Inspection No.
07/09/2018	Routine/Period	lic	Tony Morales	Yes	No	10/12/2018	iTM1819044462
Comments o		OK. All Equipm 19.15.29	ent and Location in	n Good Shape	. PJ STAINING AR	OUND WELLHEAD	

GISSLER A	No.030				P-11-17S-30E	30-015-35336-00-0	0
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/09/2018	Routine/Perio	odic	Tony Morales	Yes	No	10/12/2018	iTM1819038822
Comments o	a Inspection:	OK. All Equipr 19.15.29	nent and Location ir	Good Shape.	PJ STAINING AR	OUND WELL HEAD	
GISSLER Inspection Date	Type Inspection	No.002	Inspector	Violation?	O-11-17S-30E *Significant Non-Compliance?	30-015-36003-00-0 Corrective Action Due By:	0 Inspection No.
07/09/2018	Routine/Perio	odic	Tony Morales	Yes	No	10/12/2018	iTM1819036406
Comments o	on Inspection:	OK. All Equipr 19.15.29	nent and Location ir	n Good Shape.	PJ. STAINING AR	OUND WELL HEAD	
STEVENS E Inspection Date	B No.007 Type Inspection	a	Inspector	Violation?	D-13-17S-30E *Significant Non-Compliance?	30-015-39777-00-0 Corrective Action Due By:	0 Inspection No.
07/09/2018	Routine/Perio	odic	Tony Morales	Yes	No	10/12/2018	iTM1819039222
Comments of	on Inspection:	OK. All Equipr 19.15.29	nent and Location in	Good Shape.	PJO. STAINING A	ROUND WELL HEA	D
GISSLER B Inspection Date	No.082 Type Inspection	0	Inspector	Violation?	N-11-17S-30E *Significant Non-Compliance?	30-015-39803-00-0 Corrective Action Due By:	0 Inspection No.
07/09/2018	Routine/Perio	odic	Tony Morales	Yes	No	10/12/2018	iTM1819035463
Comments o	on Inspection:	OK. All Equipr	nent and Location in	n Good Shape.	PJO STAINING	AROUND PJ 19.15.2	9
GISSLER B Inspection Date	Type Inspection	No.108	Inspector	Violation?	F-14-17S-30E *Significant Non-Compliance?	30-015-42229-00-0 Corrective Action Due By:	0 Inspection No.
07/09/2018	Routine/Peric		Tony Morales	Yes	No	10/12/2018	iTM1819042420
	on Inspection:		nent and Location in		PJO STAINING IN LOCATION 19.1	AROUND WELLHEA	JD /

4

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.