

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"*

12-May-16

BURGUNDY OIL & GAS OF N M INC
401 W TEXAS STE 1003
MIDLAND TX 79701

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

STATE VACUUM UNIT No.010

H-32-17S-34E

30-025-02169-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
05/12/2016	Routine/Periodic	Mark Whitaker	Yes	No	8/15/2016	iMAW1613360877
Violations						
Surface Damage/Restoration						
Comments on Inspection:		DO NOT RELEASE BONDS. Lease name misspelled on P&A marker. Power pole to NW of marker has conduit riser and meter disconnect . Piles of dirt on 3 sides of location. NEED TO CORRECT MARKER. NEED TO REMOVE CONDUIT RISER AND DISCONNECT FROM POLE. NEED TO REMOVE OR CONTOUR DIRT PILES TO MATCH SURROUNDING AREA.				

STATE VACUUM UNIT No.009

G-32-17S-34E

30-025-02171-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
05/12/2016	Routine/Periodic	Mark Whitaker	Yes	No	8/15/2016	iMAW1613358757
Violations						
Surface Damage/Restoration						

Comments on Inspection: DO NOT RELEASE BONDS. Lease name misspelled on P&A marker. 2 steel anchors on south side of location. 1 wire rope anchor on SW corner of location. Injection riser and old well sign by marker. NEED TO CORRECT MARKER, REMOVE ANCHORS, AND REMOVE WELL SIGN. NEED TO REMOVE INJECTON RISER 2 FOOT BELOW GROUND LEVEL AND DISCONNECT INJECTION LINE AT STATION.

STATE VACUUM UNIT No.013

K-32-17S-34E


30-025-02175-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
05/12/2016	Routine/Periodic	Mark Whitaker	Yes	No	8/15/2016	iMAW1613359864
Violations						
Surface Damage/Restoration						

Comments on Inspection: DO NOT RELEASE BONDS. 1 steel anchors on west side of location. Bolts protruding out of concrete poured base. Power pole cut off 1 foot above ground level NW of marker. Injection riser next to marker. NEED REMOVE ANCHOR. NEED TO CUT BOLTS OFF FLUSH WITH CONCRETE. NEED TO CUT POWER POLE OFF BELOW GROUND LEVEL. NEED TO REMOVE INJECTON RISER 2 FOOT BELOW GROUND LEVEL AND DISCONNECT INJECTION LINE AT STATION.

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,


Petroleum Engr. Specialist

Hobbs 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.

EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



HASLER
FIRST-CLASS MAIL
\$000.46⁵
05/17/2016 ZIP 88240
012E14642224

US POSTAGE

BURGUNDY OIL & GAS OF NM INC
401 WEST TEXAS
SUITE 1003
MIDLAND, TX 79701