State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin

Cabinet Secretary

David Catanach, Director

Oil Conservation Division

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

Response Required - Deadline Enclosed

30-Mar-16

MEMORIAL PRODUCTION OPERATING, LLC

500 DALLAS

SUITE 1800

HOUSTON,TX 77002-

LETTER OF VIOLATION **Delinquent Regulatory Filings**

Dear Operator:

Oil Conservation Division ("OCD") records indicate that you failed to file the required reports identified below, or that your filings were incomplete or inaccurate.

NON-COMPLIANT WELL DETAIL SECTION

BURNHAM GRAYBURG SAN ANDRES UNIT No.002

Location: 2-17S-30E

30-015-04046-00-00

Original Well Type: Injection - (All Types)

Well Status: Active

Determination or Violation Date: 3/23/2016

Delinquent Report or Filing(s): - Other Monitoring and Reporting Violation

Comments: Failure on 2/11/15 Must be plugged by 5/20/2016 P&A marker in place - no c103 subsequent. Violation of 19.15.7.14 SUNDRY NOTICES AND REPORTS ON WELLS (Form C-103):F. Report on plugging of well.

(1) The operator shall file a report of plugging operations w

CORRECTIVE ACTION ON THIS WELL DUE BY: 4/22/2016

BURNHAM GRAYBURG SAN ANDRES UNIT No.002A

Location: 2-17S-30E

30-015-04048-00-00

Original Well Type: Injection - (All Types)

Well Status: Active

Determination or Violation Date: 3/23/2016

Delinquent Report or Filing(s): - Other Monitoring and Reporting

Violation

Comments: Failure on 2/11/15. P&A marker in place - no c103 subsequent on plugging. Violation of 19.15,7.14 SUNDRY NOTICES AND REPORTS ON WELLS (Form C-103):F. Report on plugging of well. -

CORRECTIVE ACTION ON THIS WELL DUE BY: 4/22/2016

BURNHAM GRAYBURG SAN ANDRES UNIT No.003A

Location: 2-17S-30E

30-015-04058-00-00

Original Well Type: Injection - (All Types)

Well Status: Active

Determination or Violation Date: 3/23/2016

Delinquent Report or Filing(s): - Other Monitoring and Reporting

Comments: Failure on 2/11/15. P&A marker in place - no c103 subsequent on plugging. Violation of 19.15.7.14 SUNDRY NOTICES AND REPORTS ON WELLS (Form C-103):F. Report on plugging of well.

(1) The operator shall file a report of plugging operations within 30 days f

CORRECTIVE ACTION ON THIS WELL DUE BY: 4/22/2016

Please file or correct the reports identified above by the corrective action due date indicated. If you fail to file or correct the reports by that date, the OCD will take enforcement action that may include but is not limited to applying for an order assessing civil penalties and/or requiring you to plug and abandon the wells associated with those reports.

Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infrastructure of the oil and gas industry.

Sincerely,

Richardlas Artesia OCD District Office