

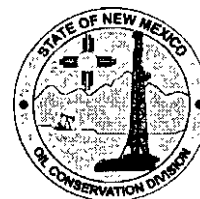
State of New Mexico
Energy, Minerals and Natural Resources Department

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"

05-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

ARTESIA UNIT No.045				F-3-18S-28E	30-015-01775-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/05/2016	Routine/Periodic	Tony Morales	Yes	No	10/8/2016	iTM1618742156
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 DEBRIS AND OLD 55 GALLON DRUMS ON LOCATION				

ARTESIA UNIT No.063				M-2-18S-28E	30-015-01781-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/05/2016	Routine/Periodic	Tony Morales	Yes	No	10/8/2016	iTM1618735339
Violations						
Absent Well Identification Signs (Rule 103)						
Comments on Inspection:		OK. All Equipment and Location in Good Shape. LOCATION SIGN NOT VISIBLE 19.15.16.8				

ARTESIA UNIT No.064

N-2-18S-28E

30-015-01784-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/05/2016	Routine/Periodic	Tony Morales	Yes	No	10/8/2016	iTM1618734244
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 10'						

ARTESIA UNIT No.043

E-3-18S-28E

30-015-01790-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/05/2016	Routine/Periodic	Tony Morales	Yes	No	10/8/2016	iTM1618740651
Violations Absent Well Identification Signs (Rule 103)						
Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ. LOCATION SIGN NOT VISIBLE RULE 19.15.16.8						

ARTESIA UNIT No.059

M-3-18S-28E

30-015-01792-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/05/2016	Routine/Periodic	Tony Morales	Yes	No	10/8/2016	iTM1618744054
Violations Absent Well Identification Signs (Rule 103)						
Comments on Inspection: OK. All Equipment and Location in Good Shape. LOCATION NOT VISIBLE.						

ARTESIA UNIT No.055

K-3-18S-28E

30-015-01798-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/05/2016	Routine/Periodic	Tony Morales	Yes	No	10/8/2016	iTM1618742550
Violations General Housekeeping (Rule 114)						
Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ. POWER OFF. OLD 55 GALLON DRUM ON LOCATION						

ARTESIA UNIT No.042

D-3-18S-28E

30-015-02547-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/05/2016	Routine/Periodic	Tony Morales	Yes	No	10/8/2016	iTM1618740983
Violations General Housekeeping (Rule 114)						
Comments on Inspection: OK. All Equipment and Location in Good Shape. PJO. CONTAMINATED MATERIAL DEBRIS ON LOCATION						

ARTESIA UNIT No.065

G-3-18S-28E

30-015-20273-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/05/2016	Routine/Periodic	Tony Morales	Yes	No	10/8/2016	iTM1618738328
Violations Absent Well Identification Signs (Rule 103)						
Comments on Inspection: OK. All Equipment and Location in Good Shape. LOCATION SIGN NOT VISIBLE. RULE 19.15.16.8						

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, CO". The signature is fluid and cursive, with a large "C" 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.