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"

14-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.

		INSPECTIO	N DETAII	L SECTION		
MERSHON Inspection Date	I STATE No.003 Type Inspection	Inspector	Violation?	E-21-18S-28E *Significant Non-Compliance?	30-015-02005-00- Corrective Action Due By:	00 Inspection No.
07/14/2016	Routine/Periodic Violations Absent Well Identification Si	Tony Morales gns (Rule 103)	Yes	No	10/17/2016	i TM 1619637470
	on Inspection: OK. All E AC 711 No.101	quipment and Location in	Good Shape	P-22-18S-28E	NOT VISIBLE 30-015-02015-00-	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/14/2016	Routine/Periodic Violations Absent Well Identification Sig	Tony Morales gns (Rule 103)	Yes	No	10/17/2016	iTM1619648871
Comments	on Inspection: OK, All E	quipment and Location in	Good Shape	. PJ. LOCATION SI	GN NOT VISIBLE.	

STATE 647 AC 713 No.122					A-22-18S-28E	30-015-02017-00-00	
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/14/2016	Routine/Period Violations	lic	Tony Morales	Yes	No	10/17/2016	iTM1619644847
	Absent Well Iden	ification Signs (R	(ule 103)				
Comments		•	-	n Good Shape	. PJ. LOCATION S	IGN NOT VISIBLE	
STATE 14 (C No.011		<u>-</u>		B-23-18S-28E	30-015-02019-00-	00
Inspection Date	Type Inspection		Inspector	Violation?	*Significant	Corrective	Inspection No.
07/14/2016	Routine/Period		Tony Morales	Yes	Non-Compliance? No	Action Due By: 10/17/2016	iTM1619646089
0//14/2010	Violations	iic.	Tony worates	105	NU	10/1//2010	111111019040009
	Absent Well Ident	ification Signs (R	ule 103)				
Comments				n Good Shape	. PJ. LOCATION SI	GN NOT VISIBLE	
STATE 14 (C No.010		····		C-23-18S-28E	30-015-02020-00-	00
Inspection	Type Inspection		Inspector	Violation?	*Significant	Corrective	Inspection No.
Date 07/14/2016	Routine/Period	lia	-	Yolation? Yes	Non-Compliance? No	Action Due By: 10/17/2016	iTM1619645859
07/14/2010	Violations	ne	Tony Morales	168	INO	10/17/2010	111019045659
	Absent Well Ident	ification Signs (R	ule 103)				
Comments (8.		n Good Shape.	PJ. LOCATION SI	GN NOT VISIBLE	
GULF STAT	ГЕ No.001				J-23-18S-28E	30-015-02024-00-00	
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/14/2016	Routine/Period	lic	Tony Morales	Yes	No	10/17/2016	iTM1619647591
	Violations						
_	General Housekee						_
Comments o			ent and Location in RIES OK. OLD HE			ROUND WELL HEA	.D
GULF STAT	ΓΕ No.002				O-23-18S-28E	30-015-02025-00-0	ю
Inspection							
m .	Tune Increation		Inspector	Violation?	*Significant	Corrective	Inspection No
Date	Type Inspection	ia	Inspector Tony Morales	Violation?	Non-Compliance?	Action Due By:	Inspection No.
Date 07/14/2016	Routine/Period	ic	Inspector Tony Morales	Violation? Yes			Inspection No. iTM1619647997
	Routine/Period Violations		Tony Morales		Non-Compliance?	Action Due By:	•
07/14/2016	Routine/Period Violations Absent Well Identi	fication Signs (Ru	Tony Morales ile 103)	Yes	Non-Compliance?	Action Due By: 10/17/2016	•
07/14/2016 Comments o	Routine/Period Violations Absent Well Identi	fication Signs (Ru OK. All Equipm	Tony Morales ile 103)	Yes Good Shape.	Non-Compliance? No PJ. LOCATION SK H-23-18S-28E	Action Due By: 10/17/2016	iTM1619647997
07/14/2016 Comments o STATE 647 Inspection	Routine/Period Violations Absent Well Identi in Inspection: (AC 711 No.129	fication Signs (Ru OK. All Equipm	Tony Morales ule 103) ent and Location in	Yes Good Shape.	Non-Compliance? No PJ. LOCATION SK H-23-18S-28E *Significant	Action Due By: 10/17/2016 GN NOT VISIBLE. 30-015-02030-00-0 Corrective	iTM1619647997
07/14/2016 Comments o STATE 647 Inspection Date	Routine/Period Violations Absent Well Identi in Inspection: () AC 711 No.129 Type Inspection	fication Signs (Ru OK. All Equipm	Tony Morales ale 103) ent and Location in Inspector	Yes Good Shape. Violation?	Non-Compliance? No PJ. LOCATION SIG H-23-18S-28E *Significant Non-Compliance?	Action Due By: 10/17/2016 GN NOT VISIBLE. 30-015-02030-00-0 Corrective Action Due By:	iTM1619647997 IO Inspection No.
07/14/2016 Comments o STATE 647 Inspection	Routine/Period Violations Absent Well Identi in Inspection: (AC 711 No.129	fication Signs (Ru OK. All Equipm	Tony Morales ule 103) ent and Location in	Yes Good Shape.	Non-Compliance? No PJ. LOCATION SK H-23-18S-28E *Significant	Action Due By: 10/17/2016 GN NOT VISIBLE. 30-015-02030-00-0 Corrective	iTM1619647997
07/14/2016 Comments o STATE 647 Inspection Date	Routine/Period Violations Absent Well Identi in Inspection: AC 711 No.129 Type Inspection Routine/Period	fication Signs (Ru OK. All Equipm ic	Tony Morales ule 103) ent and Location in Inspector Tony Morales	Yes Good Shape. Violation?	Non-Compliance? No PJ. LOCATION SIG H-23-18S-28E *Significant Non-Compliance?	Action Due By: 10/17/2016 GN NOT VISIBLE. 30-015-02030-00-0 Corrective Action Due By:	iTM1619647997 IO Inspection No.

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.