State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin

Cabinet Secretary

Tony Delfin

Deputy Cabinet Secretary

David Catanach, DirectorOil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

18-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.

STATE 647 AC 711 No.092				N-27-18S-28E	30-015-02052-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/18/2016	Routine/Periodic	iodic Tony Morales	Yes	No	10/21/2016	iTM1620041627
	Violations					
	Absent Well Identification Sig	gns (Rule 103)				
Comments	•	gns (Rule 103) quipment and Location in	Good Shape	LOCATION SIGN	NOT VISIBLE	
	•	, ,	Good Shape	LOCATION SIGN K-27-18S-28E	NOT VISIBLE 30-015-02055-00-	00
	on Inspection: OK. All E	, ,	Good Shape			00 Inspection No.
STATE 647 Inspection	on Inspection: OK. All E AC 711 No.089	quipment and Location in	·	K-27-18S-28E *Significant	30-015-02055-00- Corrective	-
STATE 647 Inspection Date	AC 711 No.089 Type Inspection	quipment and Location in	Violation?	K-27-18S-28E *Significant Non-Compliance?	30-015-02055-00- Corrective Action Due By:	Inspection No.

STATE 647	AC 711 No.086			M-27-18S-28E *Significant	30-015-02056-00-	00
Date	Type Inspection	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
07/18/2016	Routine/Periodic	Tony Morales	Yes	No	10/21/2016	iTM1620040861
	Violations					
	Absent Well Identification	on Signs (Rule 103)	•			
Comments	on Inspection: OK. A	All Equipment and Location in	Good Shape	. LOCATION SIGN	NOT VISIBLE.	
Inspection	AC 711 No.027			G-28-18S-28E *Significant	30-015-02071-00- Corrective	
Date	Type Inspection	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
07/18/2016	Routine/Periodic Violations	Tony Morales	Yes	No	10/21/2016	iTM1620046235
	Absent Well Identification	= '				
Comments	on Inspection: OK. A	II Equipment and Location in	Good Shape.	PJ. LOCATION SI	GN NOT VISIBLE.	
STATE 647	AC 711	No.043		H-28-18S-28E	30-015-02073-00-	00
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/18/2016	Routine/Periodic Violations	Tony Morales	Yes	No	10/21/2016	iTM1620045323
	Absent Well Identificatio	n Signs (Rule 103)				
Comments	on Inspection: OK. A	Il Equipment and Location in	Good Shape.	PJ LOCATION SIG	IN NOT VISIBLE	
STATE 647 AC 711		No.132		M-27-18S-28E	30-015-29078-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
	75 J. 205 1 11	Tony Morales	Yes	No	10/21/2016	iTM1620040589
07/18/2016	Routine/Periodic	10thy Morales	1 03	140	10/21/2010	111410200-0505
07/18/2016	Violations	Tony Morales	103	No	10/21/2010	111410200-0505

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.

FRESH OIL. LOCATION SIGN NOT VISIBLE. POWER OFF

OK. All Equipment and Location in Good Shape. PJ. STAINING AROUND WELL HEAD

Sincerety

Artesia OCD District Office

Comments on Inspection:

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.