State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen

Cabinet Secretary

Matthias Saver

Deputy Cabinet Secretary

David Catanach

Division Director



Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

05-Dec-17

BTA OIL PRODUCERS, LLC

104 S. Pecos

Midland TX 79701-9701

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.

		INSTECTIO	NULLAL	BECHON		
PARDUE B Inspection Date	8808 JVP No.001 Type Inspection	Inspector	Violation?	K-11-23S-28E *Significant Non-Compliance?	30-015-26274-00- Corrective Action Due By:	00 Inspection No.
12/05/2017	Routine/Periodic Violations General Housekeeping (Rul	Tony Morales	Yes	No	3/10/2018	iTM1733944857
Comments	on Inspection: OK. All	Equipment and Location in 19.15.10.8	n Good Shape	. PJO. STAININ	NG AROUND WELL	
PARDUE B 8808 JVP No.002 Inspection Date Type Inspection Inspec		Inspector	Violation?	L-11-23S-28E *Significant Non-Compliance?	30-015-26326-00- Corrective Action Due By:	00 Inspection No.
12/05/2017	Routine/Periodic Violations General Housekeeping (Rul	Tony Morales	Yes	No	3/10/2018	iTM1733943571
Comments		Equipment and Location in 19.15.10.8	n Good Shape	. PJO. STAININ	NG AROUND WELL	

INSPECTION DETAIL SECTION

PARDUE C 8808 JVP No.001Y N-11-23S-28E 30-015-26583-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 12/05/2017 Routine/Periodic Tony Morales Yes No 3/10/2018 iTM1733949108 Violations General Housekeeping (Rule 114) Comments on Inspection: OK. All Equipment and Location in Good Shape. PJO. STAINING AROUND WELL HEAD 19.15.10.5 **PARDUE B 8808 JVP No.003** K-11-23S-28E 30-015-32493-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 12/05/2017 Routine/Periodic **Tony Morales** Yes No 3/10/2018 iTM1733945046 Violations Absent Well Identification Signs (Rule 103) General Housekeeping (Rule 114) Comments on Inspection: OK. All Equipment and Location in Good Shape. PJO. STAINING AROUND WELL HEAD 19.15.10.8 LOCATION SIGN NOT VISIBLE 19.15.16.8 PARDUE C 8808 JVP No.003 N-11-23S-28E 30-015-32671-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 12/05/2017 Routine/Periodic iTM1733949023 Tony Morales Yes No 3/10/2018 Violations General Housekeeping (Rule 114) **Comments on Inspection:** OK. All Equipment and Location in Good Shape. PJO. STAINING AROUND WELL HEAD 19.15.10.5 K-11-23S-28E PARDUE B 8808 JVP No.004 30-015-33638-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: iTM1733943859 12/05/2017 Routine/Periodic Tony Morales Yes No 3/10/2018 Violations General Housekeeping (Rule 114) **Comments on Inspection:** PJ. STAINING AROUND WELL HEAD OK. All Equipment and Location in Good Shape. **OLD TUBING ON LOCATION 19.15.10.8** K-11-23S-28E PARDUE B 8808 JVP No.005 30-015-34622-00-00 Inspection *Significant Corrective Violation? Inspection No. Type Inspection Inspector Non-Compliance? Date Action Due By: 12/05/2017 Yes No 3/10/2018 iTM1733945195 Routine/Periodic **Tony Morales** Violations General Housekeeping (Rule 114) **Comments on Inspection:** OK. All Equipment and Location in Good Shape. PJO. STAINING AROUND WELL HEAD 19.15.10.8 E-11-23S-28E 30-015-35870-00-00

PARDUE D 8808 JV-P No.003 Inspection *Significant Corrective **Type Inspection** Inspector Violation? Inspection No. Non-Compliance? Date Action Due By: 12/05/2017 Routine/Periodic Tony Morales No 3/10/2018 iTM1733946111 Yes **Violations** General Housekeeping (Rule 114) **Comments on Inspection:** OK. All Equipment and Location in Good Shape. PJO. STAINING AROUND WELL HEAD 19.15.10.8

Oil Conservation Division * 811 S. First St. * Artesia, New Mexico 88210 Phone: 575-748-1283 * Fax: 575-748-9720 * http://www.emnrd.state.nm.us

PARDUE B 8808 JVP

No.007

L-11-23S-28E

30-015-38961-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Corrective

Action Due By:

12/05/2017 Routine/Periodic

Tony Morales

Yes

No

3/10/2018

Inspection No. iTM1733943122

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape.

PJO. STAINING AROUND WELL

HEAD 19.15.10.8

PARDUE C 8808 JVP

No.005

L-11-23S-28E

30-015-38999-00-00

Inspection Date

12/05/2017

n Type Inspection

Inspector

Violation? Yes *Significant
Non-Compliance?
No

Corrective Action Due By: 3/10/2018

Inspection No. iTM1733943290

Violations

General Housekeeping (Rule 114)

Routine/Periodic

Comments on Inspection:

OK. All Equipment an Location in Good Shape.

Tony Morales

PJO. STAINING AROUND WELL HEAD

TANK ATTERIES OTHER NEED PLACARDS WINDSOCK NEEDS REPLACING 19.15.10.8

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 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.