State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen

Cabinet Secretary

Matthias Sayer

Deputy Cabinet Secretary

David Catanach Division Director



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

13-Feb-18

BOPCO, L.P.

6401 Holiday Hill Rd Bldg 5, Ste 200 Midland TX 79707-9707

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

POKER LAKE UNIT No.251H					I-30-24S-30E 30-015-34404-00-00		
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
02/13/2018	Routine/Periodic		Tony Morales	Yes	No	5/19/2018	iTM1804438836
Violations							
Absent Well Identification Signs (Rule 103)							
Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ POWER OFF. 15MO							
POKER LAKE UNIT CVX JV BS			No.001H		M-26-24S-30E	30-015-37031-00-00	
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
02/13/2018	2/13/2018 Routine/Periodic		Tony Morales	Yes	No	5/19/2018	iTM1804435358
	Violations						
General Housekeeping (Rule 114)							
		OK. All Equip 19.15.10.8	Equipment and Location in Good Shape. PJ STAINING AROUND WELLHEAD 0.8				

POKER LAKE UNIT No.343H P-22-24S-30E 30-015-38667-00-00 *Significant Corrective Inspection Violation? Inspection No. Type Inspection Inspector Date Non-Compliance? Action Due By: 02/13/2018 Routine/Periodic 5/19/2018 iTM1804433900 **Tony Morales** Yes No Violations General Housekeeping (Rule 114) Comments on Inspection: OK, All Equipment and Location in Good Shape. STAINING AROUND WELLHEAD POLYPIPE STORED ON LOCATION OLD FLOWLINE ON LOCATION 19.15.10.8 A-27-24S-30E 30-015-39479-00-00 POKER LAKE UNIT No.326H *Significant Inspection Corrective Violation? Inspection No. Type Inspection Inspector Date Non-Compliance? Action Due By: 02/13/2018 Routine/Periodic Tony Morales Yes 5/19/2018 iTM1804434452 No Violations Absent Well Identification Signs (Rule 103) Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ WRONG SECTION ON LOCATION SIGN SHOULD BE "27" LOCATION SIGN DAMAGED 19.15.16.8 30-015-39480-00-00 POKER LAKE UNIT No.346H L-35-24S-30E *Significant Corrective Inspection Date Type Inspection Inspector Violation? Non-Compliance? Action Due By: Inspection No. iTM1804436244 5/19/2018 02/13/2018 Routine/Periodic **Tony Morales** Yes No Violations Absent Well Identification Signs (Rule 103) OK. All Equipment and Location in Good Shape. LOCATION SIGN NOT VISIBLE 19.15.16.8 Comments on Inspection: O-19-24S-30E 30-015-41195-00-00 POKER LAKE UNIT CVX JV PC No.015H *Significant Corrective Inspection Inspection No. Violation? Type Inspection Inspector Non-Compliance? Action Due By: Date 5/19/2018 iTM1804441414 02/13/2018 Routine/Periodic **Tony Morales** Yes No **Violations** General Housekeeping (Rule 114) OK. All Equipment and Location in Good Shape. PJO. STAINING AROUND WELL HEAD Comments on Inspection:

19.15.10.8 POKER LAKE UNIT CVX JV PC No.016H

Routine/Periodic

O-19-24S-30E 30-015-41198-00-00

Inspection Type Inspection Date

Inspector Tony Morales Violation? Yes

*Significant Non-Compliance? No

Corrective Action Due By: 5/19/2018

Inspection No. iTM1804441376

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

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,

02/13/2018

Artesia OÖD

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.