State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen
Cabinet Secretary
Matthias Sayer

Deputy Cabinet Secretary

Heather Riley
Division Director



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

11-Jul-18

BURNETT OIL CO INC

Burnett Plaza, Suite 1500 801 Cherry St., Unit 9 Fort Worth TX 76102-6102

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 DETAIL	SECTION		
GRAYBUR Inspection Date	G JACKSON Type Inspection	S A UNIT No.(022 Inspector	Violation?	L-14-17S-30E *Significant Non-Compliance?	30-015-04148-00-0 Corrective Action Due By:	O Inspection No.
07/11/2018	Routine/Perio	dic	Tony Morales	Yes	No	10/14/2018	iTM1819235016
Comments	on Inspection:					ON LOCATION SIG 1650 / 650 NOT 650	
GISSLER A No.007 Inspection Date Type Inspection		Inspector	Violation?	O-14-17S-30E *Significant Non-Compliance?	30-015-04152-00-0 Corrective Action Due By:	O Inspection No.	
07/11/2018	Routine/Perio	odic	Tony Morales	Yes	No	10/14/2018	iTM1819239376
Comments on Inspection:		OK. All Equipment and Location in Good Shape. PJ. STAINING AROUND WELL HEAD 19.15.29 POWER OFF					
GISSLER A Inspection Date	No.026 Type Inspectio	a	Inspector	Violation?	J-14-17S-30E *Significant Non-Compliance?	30-015-34503-00-0 Corrective Action Due By:	O Inspection No.
07/11/2018	Routine/Perio	odic	Tony Morales	Yes	No	10/14/2018	iTM1819243253
Comments on Inspection:		OK. All Equipm 19.15.29	nent and Location in	n Good Shape	. PJO. STAINING A	ROUND WELL HEAI)

GISSLER A No.037

N-14-17S-30E

30-015-38247-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

07/11/2018 Routine/Periodic **Tony Morales**

Yes

No

Comments on Inspection:

10/14/2018

iTM1819242763

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

19.15.29

GISSLER B No.068

Type Inspection

Inspector

Violation?

L-14-17S-30E *Significant Non-Compliance? 30-015-38976-00-00 Corrective Action Due By:

Inspection No.

Date 07/11/2018 Routine/Periodic

Inspection

Tony Morales

Yes

No

10/14/2018

Comments on Inspection:

iTM1819237178

OK. All Equipment and Location in Good Shape. PJO STAINING AROUND WELLHEAD

19.15.29

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.