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.

		·	INSPECTION	DETAIL	SECTION		
GRAYBUR Inspection Date 07/11/2018	G JACKSON Type Inspection Routine/Perio		2 Inspector Tony Morales	Violation? Yes	L-14-17S-30E *Significant Non-Compliance? No	30-015-04148-00-0 Corrective Action Due By: 10/14/2018	D Inspection No. iTM1819235016
	on Inspection:	OK. All Equipmen	nt and Location in			ON LOCATION SIG 1650 / 650 NOT 650 /	
GISSLER A Inspection Date	No.007 Type Inspection	1	Inspector	Violation?	O-14-17S-30E *Significant Non-Compliance?	30-015-04152-00-0 Corrective Action Due By:	0 Inspection No.
07/11/2018	Routine/Perio	dic	Tony Morales	Yes	No	10/14/2018	iTM1819239376
		OK. All Equipmen 19.15.29 POWER		Good Shape.	PJ. STAINING AR	OUND WELL HEAD	
GISSLER A Inspection Date	No.026 Type Inspection	• • • • •	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	dic	Tony Morales	Yes	No	10/14/2018	iTM1819243253
Comments	on Inspection:	OK. All Equipme 19.15.29	nt and Location in	Good Shape.	PJO. STAINING A	ROUND WELL HEAD)

GISSLER A Inspection Date 07/11/2018	No.037 Type Inspection Routine/Perio	•	Violation? Yes	N-14-17S-30E *Significant Non-Compliance? No	30-015-38247-00- Corrective Action Due By: 10/14/2018	00 Inspection No. iTM1819242763
Comments	on Inspection:	OK. All Equipment and Location in 19.15.29	Good Shape	. PJO. STAINING A	ROUND WELL HEA	.D.
GISSLER B Inspection Date	No.068 Type Inspection	Inspector	Violation?	L-14-17S-30E *Significant Non-Compliance?	30-015-38976-00-0 Corrective Action Due By:	00 Inspection No.
07/11/2018	Routine/Perio	fic Tony Morales	Yes	No	10/14/2018	iTM1819237178
Comments	on Inspection:	OK. All Equipment and Location in 19.15.29	Good Shape	. PJO STAINING A	ROUND WELLHEAD)

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, 8 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.