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"

10-Sep-18

BREITBURN OPERATING LP

1111 Bagby Street Suite 1600 Houston TX 77002-7002

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	V DETAIL	L SECTION		
ARTESIA U Inspection Date	NIT No.028 Type Inspection		Inspector	Violation?	M-35-17S-28E *Significant Non-Compliance?	30-015-01732-00-00 Corrective Action Due By:	Inspection No.
09/10/2018	Routine/Perio	dic	Gilbert Cordero	Yes	No	12/14/2018	iGC1825349270
Comments	on Inspection:	• •	19.15.16.8). OPER SIGN IS NOT LEG		1E NEEDS TO BE CO	ORRECTED (QUANTU	JM
ARTESIA U Inspection Date	NIT No.029 Type Inspection		Inspector	Violation?	N-35-17S-28E *Significant Non-Compliance?	30-015-01742-00-00 Corrective Action Due By:	Inspection No.
09/10/2018	Routine/Perio	dic	Gilbert Cordero	Yes	No	12/14/2018	iGC1 <mark>82</mark> 5348916
Comments	on Inspection:	Well Sign (Rule RESOURCES)	19.15.16.8). OPER	ATOR NAM	ME NEEDS TO BE CO	ORRECTED (QUANTU	JM
ARTESIA U Inspection Date	JNIT No.022 Type Inspection		Inspector	Violation?	K-35-17S-28E *Significant Non-Compliance?	30-015-01747-00-00 Corrective Action Due By:	Inspection No.
09/10/2018	Routine/Perio	dic	Gilbert Cordero	Yes	No	12/14/2018	iGC1825348613
Comments	on Inspection:	• `	19.15.16.8). OPER		ME NEEDS TO BE C	ORRECTED (QUANTU	JМ

F-35-17S-28E ARTESIA UNIT No.013 30-015-01754-00-00 *Significant Inspection Corrective Inspection No. Violation? Type Inspection Inspector Non-Compliance? Action Due By: Date iGC1825337209 09/10/2018 Routine/Periodic Gilbert Cordero Yes No 12/14/2018 Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR NAME NEEDS TO BE CORRECTED (QUANTUM RESOURCES) G-35-17S-28E ARTESIA UNIT No.014 30-015-01755-00-00 Inspection *Significant Corrective Inspection No. Type Inspection Inspector Violation? Date Non-Compliance? Action Due By: iGC1825336729 09/10/2018 Routine/Periodic Gilbert Cordero Yes No 12/14/2018 Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR NAME NEEDS TO BE CORRECTED E-35-17S-28E 30-015-29862-00-00 ARTESIA UNIT No.071 *Significant Corrective Inspection Inspection No. Type Inspection Inspector Violation? Date Non-Compliance? Action Due By: 09/10/2018 Routine/Periodic Gilbert Cordero Yes No 12/14/2018 iGC1825338652 Well Sign (Rule 19.15.16.8). OPERATOR NAME NEEDS TO BE CORRECTED (SBX Comments on Inspection: RESOURCES) 30-015-29863-00-00 ARTESIA UNIT No.072 E-35-17S-28E Inspection *Significant Corrective Inspection No. Type Inspection Inspector Violation? Non-Compliance? Action Due By: Date Yes iGC1825339061 09/10/2018 Routine/Periodic Gilbert Cordero No 12/14/2018 Well Sign (Rule 19.15.16.8). OPERATOR NAME NEEDS TO BE CORRECTED (QUANTUM Comments on Inspection: RESOURCES) F-35-17S-28E 30-015-29999-00-00 **ARTESIA UNIT No.075** *Significant Corrective Inspection Violation? Inspection No. Type Inspection Inspector Non-Compliance? Action Due By: Date iGC1825337749 09/10/2018 Routine/Periodic Gilbert Cordero Yes No 12/14/2018 Well Sign (Rule 19.15.16.8). OPERATOR NAME NEEDS TO BE CORRECTED (QUANTUM Comments on Inspection: RESOURCES) ARTESIA UNIT No.088 K-35-17S-28E 30-015-31488-00-00 *Significant Inspection Corrective Inspection No. Type Inspection Inspector Violation? Non-Compliance? Action Due By: Date Routine/Periodic Gilbert Cordero Yes 12/14/2018 iGC1825348358 09/10/2018 **Comments on Inspection:** Well Sign (Rule 19.15.16.8). OPERATOR NAME NEEDS TO BE CORRECTED (QUANTUM RESOURCES) ARTESIA UNIT No.101 M-35-17S-28E 30-015-33285-00-00 *Significant Inspection Corrective Type Inspection Inspector Violation? Inspection No. Non-Compliance? Action Due By: Date Yes 12/14/2018 iGC1825349099 09/10/2018 Routine/Periodic Gilbert Cordero No Well Sign (Rule 19.15.16.8). OPERATOR NAME NEEDS TO BE CORRECTED (QUANTUM Comments on Inspection: RESOURCES)

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,

Staff Mor

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.