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"

03-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 S Type Inspection	S A UNIT No.0.	36 Inspector	Violation?	I-12-17S-30E *Significant Non-Compliance?	30-015-04128-00-00 Corrective Action Due By:) Inspection No.
07/03/2018	Routine/Perio	dic	Tony Morales	Yes	No	10/6/2018	iTM1818447408
Comments of	on Inspection:	OK. All Equipme 19.15.29	ent and Location in	Good Shape.	PJO. STAINING A	ROUND WELL HEAD	1
GISSLER B Inspection Date	No.005 Type Inspection		Inspector	Violation?	J-23-17S-30E *Significant Non-Compliance?	30-015-04300-00-00 Corrective Action Due By:) Inspection No.
07/03/2018	Routine/Period	lic	Tony Morales	Yes	No	10/6/2018	iTM1818431903
Comments of	on Inspection:		ent and Location in LHEAD / LOCATION			GN WORN STAINING	3
GISSLER B	No.012				I-23-17S-30E	30-015-04302-00-00)
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/03/2018	Routine/Period	lic	Tony Morales	Yes	No	10/6/2018	TM1818432419
Comments of	on Inspection:		ent an Location in C N WORN FADED		PJO. STAINING AF	OUND WELL HEAD.	

JACKSON I Inspection Date	3 No.024 Type Inspection	D	Inspector	Violation?	L-24-17S-30E *Significant Non-Compliance?	30-015-04320-00-0 Corrective Action Due By:	O Inspection No.
07/03/2018	Routine/Peric	odic	Tony Morales	Yes	No	10/6/2018	iTM1818432803
Comments o	n Inspection:	OK. All Equips STAINED ARE	nent and Location in EA APPROX 60' SC	n Good Shape. DUTH 40' WE	PJ STAINING AR ST X 5' 19.15.29	OUND WELL HEAD+	
JACKSON I	3	No.034			E-24-17S-30E	30-015-27440-00-0	0
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/03/2018	Routine/Peric	odic	Tony Morales	Yes	No	10/6/2018	iTM1818436033
Comments o	n Inspection:	OK. All Equipn 19.15.29	nent and Location in	n Good Shape.	PJ STAINING AR	OUND WELL HEAD	
GISSLER B		No.030			G-23-17S-30E	30-015-27922-00-0	0
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant	Corrective	Inspection No.
07/03/2018	Routine/Peric		Tony Morales	Yes	Non-Compliance? No	Action Due By: 10/6/2018	iTM1818433619
Comments of			•			ROUND WELLHEAD	111010455019
STEVENS A	No.010				L-13-17S-30E	30-015-32793-00-0	0
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/03/2018	Routine/Peric		Tony Morales	Yes	Non-Compliance: No	10/6/2018	iTM1818440905
Comments o	n Inspection:	OK. All Equipn 19.15.29	•			OUND WELL HEAD	11.11010440703
STEVENS A	No.011				F-13-17S-30E	30-015-33131-00-0	0
Inspection			-		*Significant	Corrective	
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
07/03/2018	Routine/Peric		Tony Morales	Yes	No	10/6/2018	iTM1818444208
Comments of	n Inspection:	OK. All Equipn 19.15.29	ent and Location ir	Good Shape.	PJ. STAINING AR	OUND WELLHEAD	
STEVENS A		No.012			N-13-17S-30E	30-015-34225-00-0	0
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
	Routine/Perio	odic	Tony Morales	Yes	No	10/6/2018	iTM1818442078
Comments of			•		•	ROUND WELLHEAD	110101012070
JACKSON A	No.035				G-13-17S-30E	30-015-34502-00-0	0
Inspection	Type Inspection	-	Increater	Violation?	*Significant	Corrective	I
Date 07/03/2018	Routine/Perio		Inspector Tony Morales	Yiolation: Yes	Non-Compliance? No	Action Due By:	Inspection No.
Comments of		OK. All Equipm	nent and Location in TAINING AROUN	Good Shape.	PJ. CONTAMIN	10/6/2018 ATED MATERIAL O	iTM1818445185 N
JACKSON A	No.027Q				A-13-17S-30E	30-015-34765-00-0	0
Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/03/2018	Routine/Perio	odic	Tony Morales	Yes	No	10/6/2018	iTM1818446107
Comments or	1 Inspection:		nent and Location ir BE "34765" NOT 3		PJ WRONG API O	N LOCATION	
GISSLER B Inspection			_		D-24-17S-30E *Significant	30-015-41176-00-0 Corrective	
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
	Routine/Perio		Tony Morales	Yes	No	10/6/2018	iTM1818437378
Comments of	1 Inspection:	OK. All Equipm 19.15.29	ent and Location ir	Good Shape.	PJO. STAINING A	ROUND WELL HEAI)

GISSLER A	No.043				B-23-17S-30E	30-015-41177-00-0	0
Inspection Date	Type Inspection	ı	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/03/2018	Routine/Perio	dic	Tony Morales	Yes	No	10/6/2018	iTM1818435095
Comments o	n Inspection:	OK. All Equipm 19.15.29	ent and Location ir	n Good Shape.	PJO. STAINING A	ROUND WELL HEAD	D
JACKSON A	A No.044				P-12-17S-30E	30-015-41539-00-0	0
Inspection Date	Type Inspection	1	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/03/2018	Routine/Perio	dic	Tony Morales	Yes	No	10/6/2018	iTM1818446557
Comments o	n Inspection:	OK. All Equipm 19.15.29	ent and Location ir	Good Shape.	PJ STAINING AR	OUND WELL HEAD.	
GISSLER B Inspection Date	Type Inspection	No.104	Inspector	Violation?	H-23-17S-30E *Significant Non-Compliance?	30-015-41801-00-0 Corrective Action Due By:	O Inspection No.
07/03/2018	Routine/Perio	dic	Tony Morales	Yes	No	10/6/2018	iTM1818434273
Comments o	n Inspection:	OK. All Equipm 19.15.29	ent and Location ir	n Good Shape.	PJO STAINING A	ROUND WELLHEAD	
JACKSON	B No.070			· . · ·	F-24-17S-30E	30-015-42043-00-0	0
Inspection Date	Type Inspection	I	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/03/2018	Routine/Perio	dic	Tony Morales	Yes	No	10/6/2018	iTM1818443221
Comments o	on Inspection:	OK. All Equipm 19.15.29	ent and Location in	n Good Shape.	PJO STAINING A	ROUND WELLHEAD	
JACKSON A	4	No.050			P-12-17S-30E	30-015-42212-00-0	0
Inspection Date	Type Inspection	1	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/03/2018	Routine/Perio	dic	Tony Morales	Yes	No	10/6/2018	iTM1818446991
Comments o	on Inspection:	OK. All Equipm 19.15.29	ent and Location in	n Good Shape.	PJO STAINING A	ROUND WELL HEAD).

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.