

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**John H. Bemis**  
Cabinet Secretary

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey**  
Division Director  
Oil Conservation Division

**HOBBS OCD**

**MAY 30 2012**

**RECEIVED**



**\*Response Required – Deadline Enclosed\***

30-May-12

**BRECK OPERATING CORP**  
PO BOX 911  
BRECKENRIDGE, TX 76424

**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***

**SOUTH EUNICE UNIT No.013**

F-21-22S-36E

**30-025-08980-00-00**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
05/30/2012	Routine/Periodic	Mark Whitaker	Yes	No	7/31/2012	iMAW1215141078
	Violations	RP	Surface Damage/Restoration			

**Comments on Inspection:** DO NOT RELEASE BOND. Well was plugged 11-22-10. Rule 19.15.25.10 requires restoration within one year of plugging date. Dry hole marker should read 1980' FNL and 1980' FWL not 1980' FSL and 1980' FWL. Wellhead, flowline, well sign, conduit sticking out of ground east of marker and power poles (3) and lines on west side of location should be removed. 1ST NOTICE.

**SOUTH EUNICE UNIT No.011**

H-21-22S-36E

**30-025-08985-00-00**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
05/30/2012	Routine/Periodic	Mark Whitaker	Yes	No	9/2/2012	iMAW1215136286
	Violation	RP	Absent Well Identification Signs (Rule 103)			

**Comments on Inspection:** No well sign (Rule 19.15.16.8). NEED TO INSTALL WELL SIGN. 1ST NOTICE.

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 Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

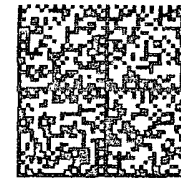
Sincerely,

**COMPLIANCE OFFICER**

Hobbs OCD District Office

**MAY 30 2012**

EMNRD  
OIL CONSERVATION DIVISION  
1625 N FRENCH DRIVE  
HOBBS NM 88240



HASLER 015H14150977  
\$0.45  
05/30/12  
Mailed From 88240  
US POSTAGE

BRECK OPERATING CORP  
PO BOX 911  
BRECKENRIDGE, TX 76424