

# State Of New Mexico

## Energy, Minerals and Natural Resources Department

**Michelle Lujan Grisham**  
 Governor  
**Sarah Cottrell Propst**  
 Cabinet Secretary  
**Todd E. Leahy, JD, PhD**  
 Deputy Cabinet Secretary

**Adrienne Sandoval**  
 Division Director



**"Response Required - Deadline Enclosed"**

*Field Inspection Program*  
*"Preserving the Integrity of Our Environment"*

19-Sep-19

**BURGUNDY OIL & GAS OF N M INC**  
 505 N. Big Spring St.  
 Suite 603  
 Midland, TX 79701

**LETTER OF VIOLATION - Field Inspection**

Dear Operator:

The following inspection indicates that the well, equipment, location or operational status of the well 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 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***

[30-025-02159] STATE VACUUM UNIT #011

OGRID: 3044

I-31-17S-34E 2310 FSL 330 FEL

Inspection Date	Type Inspection	Inspector	Corrective Action Due By	Inspection No.
9/19/2019	Routine Inspection	[GR] Gary Robinson	12/18/2019	iGR1926248428

**Violations:**

Rule	Violation
19.15.26 Injection  Comment: FAILED BHT, RULE: 19.15.26.11, SURF CSG BLEW TO ZERO W/ SMALL AMOUNT OF FLUID. SHUT IN AND OPENED MULTIPLE TIMES AND KEPT BUILDING PRESSURE. WELL WAS SHUT IN.	Detection of Deficient Mechanical Integrity
19.15 Oil and Gas  Comment: Auto Generated Violation - MIT Failure exists.	Mechanical Integrity Failure Recorded

**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,

Hobbs OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

Oil Conservation Division \* 1625 N. French Drive \* Hobbs, NM 88240  
 Phone: 575-393-6161 \* Fax: 575-393-0720 \* www.emrd.state.nm.us

State of New Mexico  
 Energy, Minerals and Natural Resources Department  
 Oil Conservation Division Hobbs District Office

**BRADENHEAD TEST REPORT**

Operator Name <i>Burgundy</i>	API Number <i>30-025-02159</i>
Property Name <i>ST. VACUUM</i>	Well No. <i>#11</i>

**1. Surface Location**

UL - Lot	Section	Township	Range	Feet from	N/S Line	Feet From	E/W Line	County
<i>I</i>	<i>31</i>	<i>17S</i>	<i>34E</i>	<i>2310</i>	<i>S</i>	<i>330</i>	<i>E</i>	<i>LEA</i>

**Well Status**

TA'D WELL YES <input type="radio"/> NO <input checked="" type="radio"/>	SHUT-IN YES <input type="radio"/> NO <input checked="" type="radio"/>	INJECTOR <input checked="" type="radio"/> INJ	SWD	PRODUCER OIL <input type="radio"/> GAS <input type="radio"/>	DATE <i>9-19-19</i>
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**OBSERVED DATA**

	(A)Surface	(B)Interm(1)	(C)Interm(2)	(D)Prod Csg	(E)Tubing
Pressure	<i>15</i>	/	/	<i>0</i>	<i>0</i>
<b>Flow Characteristics</b>					
Puff	Y <input checked="" type="radio"/> N	Y / N	Y / N	Y <input checked="" type="radio"/> N	CO2
Steady Flow	Y <input checked="" type="radio"/> N	Y / N	Y / N	Y <input checked="" type="radio"/> N	WTR <input checked="" type="checkbox"/>
Surges	Y <input checked="" type="radio"/> N	Y / N	Y / N	Y <input checked="" type="radio"/> N	GAS <input type="checkbox"/>
Down to nothing	Y <input checked="" type="radio"/> N	Y / N	Y / N	Y <input checked="" type="radio"/> N	Type of Fluid
Gas or Oil	Y <input checked="" type="radio"/> N	Y / N	Y / N	Y <input checked="" type="radio"/> N	Injected for
Water	Y <input checked="" type="radio"/> N	Y / N	Y / N	Y <input checked="" type="radio"/> N	Waterflood if
					applies

Remarks - Please state for each string (A,B,C,D,E) pertinent information regarding bleed down or continuous build up if applies.

*Surf. csg. had 15 psi - blew to zero w/ small amount of fluid. shut in + kept building pres. multiple times.  
 Failed BHT.*

Signature:		OIL CONSERVATION DIVISION	
Printed name:			
Title:		Re-test	
E-mail Address:			
Date:	Phone:		
Witness: <i>Gary Johnson</i>			

INSTRUCTIONS ON BACK OF THIS FORM

**EMNRD  
OIL CONSERVATION DIVISION  
1625 N FRENCH DRIVE  
HOBBS NM 88240**



**NEOPOST  
FIRST-CLASS MAIL**

**\$000.50<sup>0</sup>**

09/23/2019 ZIP 88240  
042L14818194

**US POSTAGE**

**BURGUNDY OIL & GAS CO OF NM INC  
505 N BIG SPRING ST.  
SUITE 603  
MIDLAND, TX 79701**