

Submit 3 Copies To Appropriate District
Office
District I
1625 N French Dr, Hobbs, NM 88240
District II
1301 W Grand Ave, Artesia, NM 88210
District III
1000 Rio Brazos Rd, Aztec, NM 87410
District IV
1220 S St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)		WELL API NO. / 30-025-21749
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Breck Operating Corp. /		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 911, Breckenridge, TX 76424		7. Lease Name or Unit Agreement Name Farrar B /
4. Well Location Unit Letter <u>O</u> : <u>766</u> feet from the <u>SOUTH</u> line and <u>2086</u> feet from the <u>EAST</u> line Section <u>13</u> Township <u>11S</u> Range <u>33E</u> NMPM Lea County		8. Well Number <u>001</u> /
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number <u>002799</u> /
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: 90 day extension <input checked="" type="checkbox"/>		OTHER. <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

In response to the attached Letter of Violation dated January 29, 2008, Breck Operating Corp has completed all of the requested work except for the removal of the concrete base. Breck would like to request 90 days additional time to complete this work.

RECEIVED
MAY 23 2008
HOBBS OCD
Complete on or before
8/3/2008
msb.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Linda Venekamp TITLE PRODUCTION CLERK DATE May 19, 2008

Type or print name LINDA VENEKAMP E-mail address: lvenekamp@breckop.com Telephone No. 254-559-3355
For State Use Only

APPROVED BY: Mahey Brown TITLE COMPLIANCE OFFICER DATE 6/6/2008

Conditions of Approval (if any):

Danny, Fred, Linda, WR



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Field Inspection Program

"Preserving the Integrity of Our Environment"

29-Jan-08

BRECK OPERATING CORP

PO BOX 911

BRECKENRIDGE TX 76424

1-4-08
I called + notified
Bob of this letter
+ I also faxed
him a copy.
Linda U.

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

FARRAR B No.001

O-13-11S-33E

30-025-21749-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/29/2008	Routine/Periodic	Maxey Brown	Yes	No	5/3/2008	iMGB0802937927

Violations

Absent Well Identification Signs (Rule 103)

Tank Battery Equipment (Rules 114, 115)

Drill Site/Roads (Rule 114)

General Housekeeping (Rule 114)

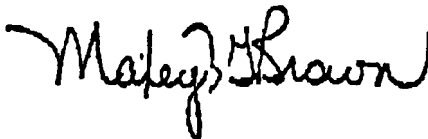
Comments on Inspection:

Well Sign (Rule 103). UNABLE TO READ SIGN AT WELL. NEED TO REPLACE SIGN AT WELL AND TANK BATTERY. NEED TO REMOVE SURPLUS OR JUNK EQUIPMENT FROM WELL AND TANK BATTERY. RULE 114. THIS INCLUDES BUT NOT LIMITED TO THE FOLLOWING: HEATER TREATER, CONCRETE BASES, SECTION OF TANKS, GRADE BANDS, FENCING, WALKWAYS, UNLABELED DRUMS, USED PIPING AND OTHER MISC. JUNK. OIL CONTAMINATED SOIL MUST BE REMOVED FROM AROUND WELLHEAD. RULE 114. REPAIR ROADS TO AVOID DRIVING INTO PASTURE. RULE 114. THIS IS 1ST LETTER OF NON-COMPLIANCE.

per Danny:
All work has been completed except removing concrete base
Breck is requesting 90 days additional time to complete this work.

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. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

Sincerely,



Hobbs OCD District Office

COMPLIANCE OFFICER

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