

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

Form C-103
May 27, 2004

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

WELL API NO. 30-025-09006
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. 025432
7. Lease Name or Unit Agreement Name South Eunice Unit
8. Well Number 7
9. OGRID Number 002799
10. Pool name or Wildcat Eunice 7 Rivers Queen, South

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3528' GR	
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Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type <u>Steel</u> Depth to Groundwater <u>199'</u> Distance from nearest fresh water well <u>>1000'</u> Distance from nearest surface water <u>>1000'</u>	
Pit Liner Thickness: <u>mil</u>	Below-Grade Tank: Volume <u>bbls</u> ; Construction Material <u></u>

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)

1. Type of Well: Oil Well ☐ Gas Well ☐ Other INJECTION

2. Name of Operator
Breck Operating Corp.

3. Address of Operator
P.O. Box 911, Breckenridge, Texas 7624

4. Well Location

Unit Letter H : 1980 feet from the North line and 990 feet from the East line
Section 22 Township 22S Range 36E NMPM Lea County

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type Steel Depth to Groundwater 199' Distance from nearest fresh water well >1000' Distance from nearest surface water >1000'

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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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.

Corrective actions were taken 4/17/08 regarding attached letter of violation dated April 14, 2008. Mr. Buddy Hill with NMOCD was contacted verbally by Mr. Bob Pierce with Breck Operating Corp. to report that the work was complete. Mr. Hill rescinded his request to meet with Mr. Wilson on location.

RECEIVED

MAY 23 2008

HOBBS OCD

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: Cary W. Hill TITLE Field Rep. DATE 4-17-08
Conditions of Approval (if any)



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Response Required – Deadline Enclosed

Field Inspection Program

"Preserving the Integrity of Our Environment"

14-Apr-08

BRECK OPERATING CORP

PO BOX 911

BRECKENRIDGE TX 76424

APR 17, 2008
Buddy Hill
Oil Conservation Division
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.007

H-22-22S-36E

30-025-09006-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
03/28/2008	Routine/Periodic	Buddy Hill	Yes	No	5/9/2008	iLWH0808859905
Violations						
Surface Damage/Restoration						

Comments on Inspection:

P/A -NOT READY to release. UNIT LETTER AND FOOTAGES ARE WRONG ON MARKER..DANIEL D. WILSON WILL BE REQUIRED TO MAKE ARRANGEMENTS TO MEET ME ON LOCATION FOR THIRD INSPECTION FOR RELEASE OF P/A,,SECOND NOTICE

P/A
OK! to Release.

[Signature]

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,



COMPLIANCE OFFICER

Hobbs 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