R. T. HICKS CONSULTANTS, LTD.

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April 25, 2016

Ms. Heather Patterson State of New Mexico Oil Conservation Division 811 S. 1st Street Artesia, NM 88210

RE: Schedule of Compliance, Marker Oil Release Sites

Ms. Patterson:

On behalf of Marker Oil, R.T. Hicks Consultants, Ltd. is pleased to submit a proposed schedule of compliance to implement OCD- and BLM-approved remedies for identified releases on the North Square Lake Unit and the R6 and A6 Federal wells. The schedule provides a realistic timeframe to deliver modifications to previously approved Corrective Action Plans and to develop new plans. The goal is to deliver all CAP modifications before the proposed deadlines. To deliver CAPS for releases that are not fully assessed, we are providing ourselves with more time, but still intend to deliver ahead of schedule.

To implement approved remedies, we are proposing a schedule that takes into consideration the capacity of Marker Oil to get the work done in a cost-effective manner. Again, Marker Oil hopes to move forward with implementation ahead of schedule.

In order to maintain the proposed schedule, we ask that OCD and BLM evaluate the CAP Modification for 2RP-3261 (NSLU 69), which will be transmitted to OCD and BLM immediately after this letter. If our minor changes to the approved CAP are acceptable, we might move forward ahead of schedule and before the monsoon.

Please contact me if you have any questions or comments.

Sincerely, R.T. Hicks Consultants

Randall Hicks

Copy: Marker Oil BLM Carlsbad

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Date eTech CAP Schedule of Construction GPS Location of State Job # Schedule of CAP Modification Approved? After CAP Mod Approval Incident CAP Mod submitted 4/25/16 Before May 15 NSLU Inj Line #51 & #69 9/13/2015 32.8889, -103.923224 2RP-3261 Yes Re-sample before May 15 and submit June 30 if construction is CAP Mod or Closure Report 5/30 required NSLU #100 9/24/2015 32.885231, -103.909161 2RP-3281 Yes 10/12/2015 32.903056, -103.896083 CAP Mod to be submitted 5/30/16NSLU #3 Inj Line (10-12-150 2RP-3333 Yes-OCD Before June 30 12/5/2015 32.904084, -103.895592 2RP-3447 CAP to be submitted June 15 NSLU #3 Inj Line 3rd Release Before July 15 10/29/2015 32.903050, -103.899767 Before July 30 NSLU 197 2RP-3381 Yes CAP Mod to be submitted June 15 NSLU #39 Dec-16 32.897127, -103.902969 Not Assigned CAP to be submitted July 1 Before August 15 Before September 15 if Federal R6 10/28/2015 32.8554, -103.952752 2RP-3363 Yes CAP Mod to be submitted July 1 necessary Before September 30 if Loco Hills A6 10/25/2015 32.839367, -103.965968 2RP-3355 Yes CAP Mod to be submitted July 15 necessary Re-sample before June 30 and submit Before October 15 if No CAP on CAP Mod, CAP or Closure Report necessary July 30 NSLU#3 8/6/2015 32.904763, -103.898751 2RP-3243 file Sample site before July 15 with CAP Before October 30 if 7/24/2015 32.879858, -103.911067 Grier Battery submited by August 1 NA Yes necessary NSLU #100 Injection Line 12/2/2015 32.882011, -103.908675 2RP-3448 No CAP to be submitted August 1 Before November 15