State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin

Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David Catanach, Director
Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

30-Aug-16

REMNANT OIL OPERATING, LLC PO BOX 5375 MIDLAND TX 79704

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.

		INSPECTIO!	V DETAIL	L SECTION		
PENJACK Inspection Date	FEDERAL Type Inspection	No.001 Inspector	Violation?	D-6-10S-26E *Significant Non-Compliance?	30-005-60531-00-0 Corrective Action Due By:	O Inspection No.
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/3/2016	iGC1624333728
Comments	on Inspection: We	Il Sign (Rule 19.15.16.8). OPER	ATOR (LEG	ACY) ON WELL SIG	GN IS NOT CORRECT	·
JJ FEDERA Inspection Date	AL Type Inspection	No.001	Violation?	I-1-10S-25E *Significant Non-Compliance?	30-005-60559-00-0 Corrective Action Due By:	0 Inspection No.
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/3/2016	iGC1624338499
Comments	on Inspection: Wel	l Sign (Rule 19.15.16.8). OPERA	ATOR (LEG	ACY) ON WELL SIG	GN IS NOT CORRECT	
LUKE FED Inspection Date	ERAL COM Type Inspection	No.001	Violation?	F-24-10S-25E *Significant Non-Compliance?	30-005-61469-00-0 Corrective Action Due By:	Inspection No.
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/3/2016	iGC1624344286
Comments of	on Inspection: Wel	l Sign (Rule 19.15.16.8). OPERA	ATOR (LEG	ACY) ON WELL SIG	ON IS NOT CORRECT	

TYRELL FEDERAL COM No.001 C-13-10S-25E 30-005-61781-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Action Due By: Date Non-Compliance? 08/30/2016 Routine/Periodic Gilbert Cordero No 12/3/2016 iGC1624342203 Yes Comments on Inspection: Well Sign (Rule 19.15.16.8), OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT A-23-10S-25E SUZANNE FEDERAL No.001 30-005-61947-00-00 Inspection *Significant Corrective Type Inspection Inspection No. Date Inspector Violation? Non-Compliance? Action Due By: 08/30/2016 Routine/Periodic Gilbert Cordero 12/3/2016 iGC1624344613 Yes No Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT. SIGN IS NOT LEGIBLE LISA FEDERAL No.001 L-13-10S-25E 30-005-62109-00-00 Inspection *Significant Corrective Type Inspection Violation? Inspection No. Inspector Date Non-Compliance? Action Due By: Routine/Periodic iGC1624341906 08/30/2016 Gilbert Cordero No 12/3/2016 Yes Comments on Inspection: Well Sign (Rule 19.15.16.8), OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT 30-005-62217-00-00 TYRELL FEDERAL COM G-13-10S-25E No.002 *Significant Corrective Inspection Type Inspection Inspector Violation? Inspection No. Non-Compliance? Action Due By: Date iGC1624342533 08/30/2016 Routine/Periodic Gilbert Cordero Yes No 12/3/2016 Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT Comments on Inspection: O-12-10S-25E 30-005-62465-00-00 PENJACK FEDERAL No.002 *Significant Corrective Inspection Violation? Inspection No. Type Inspection Inspector Non-Compliance? Action Due By: Date iGC1624337999 Gilbert Cordero Yes 08/30/2016 Routine/Periodic Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT No.002 B-1-10S-25E 30-005-62474-00-00 MCCREA FEE COM *Significant Inspection Corrective Violation? Inspection No. Type Inspection Inspector Non-Compliance? Action Due By: Date Yes No iGC1624335333 08/30/2016 Routine/Periodic Gilbert Cordero 12/3/2016 Comments on Inspection: Well Sign (Rule 19.15.16.8), OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT PENJACK FEDERAL No.003 H-12-10S-25E 30-005-62495-00-00 *Significant Inspection Corrective Inspection No. Type Inspection Inspector Violation? Date Non-Compliance? Action Due By: 08/30/2016 Routine/Periodic Gilbert Cordero Yes No 12/3/2016 iGC1624338262 Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT Comments on Inspection: PENJACK FEDERAL No.004 K-6-10S-26E 30-005-62544-00-00 *Significant Corrective Inspection Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 08/30/2016 Routine/Periodic Gilbert Cordero Yes No 12/3/2016 iGC1624331314 Well Sign (Rule 19.15.16.8), OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT Comments on Inspection: PENJACK FEDERAL No.006 L-7-10S-26E 30-005-62562-00-00 *Significant Inspection Corrective Type Inspection Inspector Violation? Non-Compliance? Inspection No. Date Action Due By: iGC1624330405 08/30/2016 Gilbert Cordero Yes No 12/3/2016 Routine/Periodic

Comments on Inspection:

Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT

PENJACK FEDERAL No.007 I-7-10S-26E 30-005-62611-00-00 Inspection *Significant Corrective Type Inspection Violation? Inspection No. Inspector Date Non-Compliance? Action Due By: 08/30/2016 Routine/Periodic Gilbert Cordero Ñο 12/3/2016 iGC1624330622 Yes Comments on Inspection: Well Sign (Rule 19.15,16.8), OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT AND SIGN IS NOT LEGIBLE PENJACK FEDERAL No.008 O-6-10S-26E 30-005-62672-00-00 *Significant Inspection Corrective Type Inspection Violation? Inspector Non-Compliance? Date Inspection No. Action Due By: 08/30/2016 Routine/Periodic Gilbert Cordero Yes No 12/3/2016 iGC1624331742 **Comments on Inspection:** Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT JJ FEDERAL No.002 K-1-10S-25E 30-005-62678-00-00 Inspection *Significant Corrective Type Inspection Violation? Inspector Inspection No. Date Non-Compliance? Action Due By: 08/30/2016 Routine/Periodic Gilbert Cordero Yes No 12/3/2016 iGC1624336951 Comments on Inspection: Well Sign (Rule 19.15.16.8), OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT. SIGN IS NOT LEGIBLE PENJACK FEDERAL No.009 G-6-10S-26E 30-005-62916-00-00 *Significant Inspection Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 08/30/2016 Routine/Periodic Gilbert Cordero Yes iGC1624332080 12/3/2016 Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT JJ FEDERAL No.003 F-1-10S-25E 30-005-63168-00-00 *Significant Inspection Corrective Violation? Inspection No. Type Inspection Inspector Date Non-Compliance? Action Due By: iGC1624336682 08/30/2016 Routine/Periodic Gilbert Cordero Yes No 12/3/2016 Comments on Inspection: No Well Sign (Rule 19.15.16.8). I-12-10S-25E 30-005-63591-00-00 PENJACK FEDERAL No.010 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Non-Compliance? Action Due By: Date Gilbert Cordero iGC1624337864 08/30/2016 Routine/Periodic Yes No 12/3/2016 Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT Comments on Inspection: B-12-10S-25E 30-005-63592-00-00 PENJACK FEDERAL No.011Q *Significant Corrective Inspection Inspection No. Date Type Inspection Inspector Violation? Non-Compliance? Action Due By: iGC1624337543 Gilbert Cordero Yes No 12/3/2016 08/30/2016 Routine/Periodic Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT A-13-10S-25E 30-005-63703-00-00 **TYRELL 13 FEDERAL COM No.004** *Significant Inspection Corrective Violation? Inspection No. Date Type Inspection Inspector Non-Compliance? Action Due By: iGC1624338867 Gilbert Cordero Yes No 12/3/2016 08/30/2016 Routine/Periodic Comments on Inspection: No Well Sign (Rule 19.15.16.8). M-1-10S-25E 30-005-63711-00-00 JJ 1 FEDERAL COM No.004 *Significant Corrective Inspection Inspection No. Violation? Inspector Date Type Inspection Non-Compliance? Action Due By: iGC1624337092 Gilbert Cordero Yes No 12/3/2016 08/30/2016 Routine/Periodic Well Sign (Rule 19.15.16.8), OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT Comments on Inspection:

COMANCHE HILL 18 FED No.001

2-18-10S-26E

30-005-63815-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Corrective

Action Due By:

08/30/2016

Routine/Periodic

Gilbert Cordero

No

Inspection No.

Comments on Inspection:

Yes

12/3/2016

iGC1624330046

Well Sign (Rule 19.15.16.8), OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT

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

Sincerely,

Artesia 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.