State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Tony Delfin Acting Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

26-Jan-17

LARRY MARKER DBA MARKER OIL PO BOX 3188 Roswell NM 88202-8202

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	N DETAII	L SECTION		
NORTH SQ Inspection Date	UARE LAKE UN Type Inspection	IT No.012 Inspector	Violation?	P-19-16S-31E *Significant Non-Compliance?	30-015-04856-00- Corrective Action Due By:	00 Inspection No.
01/26/2017	Routine/Periodic Violations	Tony Morales	Yes	No	5/1/2017	iTM1702647655
	Absent Well Identifica	tion Signs (Rule 103)				
Comments		. All Equipment and Location in T CONNECTED	1 Good Shape	. LOCTION SIGN N	OT VISIBLE. FLOW	LINE
NORTH SQUARE LAKE UNIT No.007				J-20-16S-31E 30-015-04863-00-00		00
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/26/2017	Routine/Periodic Violations Surface Leaks/Spills	Tony Morales	Yes	No	5/1/2017	iTM1702649124
Comments		. All Equipment and Location in AINING APPROX. 10' X 30' FF	-	. PJ STAINING AR	OUND WELL HEAD	

Violations Absent Well Identification Signs (Rule 103) Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ POWER OFF LOCATION SIGN NOT VISIBLE. NORTH SQUARE LAKE UNIT No.142 Inspection Date Type Inspection Date Type Inspection Inspector Inspector Violations Yiolations Absent Well Identification Signs (Rule 103) Corrective Comments on Inspection: OK. All Equipment and Location in Good Shape. LOCATION SIGN NOT VISIBLE. NORTH SQUARE LAKE UNIT No.162 O-31-16S-31E 30-015-24457-00-00 Inspection O-31-16S-31E 30-015-24457-00-00 Inspection Type Inspection: Oracle of the sector of the secto	Inspection No. TM1702640168		
01/26/2017 Routine/Periodic Tony Morales Yes No 5/1/2017 i Violations Absent Well Identification Signs (Rule 103) Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ POWER OFF LOCATION SIGN NOT VISIBLE. NORTH SQUARE LAKE UNIT No.142 Inspection Inspector Violation? Date Type Inspection Inspector Violation? Non-Compliance? Action Due By: 01/26/2017 Routine/Periodic Tony Morales Yes No 5/1/2017 i Violations Absent Well Identification Signs (Rule 103) Comments on Inspection: OK. All Equipment and Location in Good Shape. LOCATION SIGN NOT VISIBLE. NORTH SQUARE LAKE UNIT No.162 NoRTH SQUARE LAKE UNIT No.162 Inspection Inspector Violation? Non-Compliance? Action Due By: 01/26/2017 Routine/Periodic Tony Morales Yes No 5/1/2017 i Violations Absent Well Identification Signs (Rule 103)	Inspection No. TM1702640168		
Absent Well Identification Signs (Rule 103) Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ POWER OFF LOCATION SIGN NOT VISIBLE. NORTH SQUARE LAKE UNIT No.142 E-31-16S-31E 30-015-20184-00-00 *Significant Corrective Date Type Inspection Inspector Violation? OI/26/2017 Routine/Periodic Tony Morales Yes No 5/1/2017 Governments on Inspection: OK. All Equipment and Location in Good Shape. LOCATION SIGN NOT VISIBLE. NORTH SQUARE LAKE UNIT No.162 O-31-16S-31E 30-015-24457-00-00 Inspection: OK. All Equipment and Location in Good Shape. LOCATION SIGN NOT VISIBLE. NORTH SQUARE LAKE UNIT No.162 O-31-16S-31E 30-015-24457-00-00 Inspection Inspector Violation? Dividitions? O-31-16S-31E 30-015-24457-00-00 Inspection Inspector Violation? </td <td>Inspection No. TM1702640168</td>	Inspection No. TM1702640168		
Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ POWER OFF LOCATION SIGN NOT VISIBLE. NORTH SQUARE LAKE UNIT No.142 E-31-16S-31E 30-015-20184-00-00 Inspection Inspector Violation? Non-Compliance? Action Due By: 01/26/2017 Routine/Periodic Tony Morales Yes No 5/1/2017 i North Square Lake UNIT No.142 Comments on Inspection: OK. All Equipment and Location in Good Shape. LOCATION SIGN NOT VISIBLE. North Square Lake UNIT No.162 O-31-16S-31E 30-015-24457-00-00 Inspection Inspector Violation? Non-Compliance? Action Due By: 01/26/2017 Routine/Periodic Tony Morales Yes 0-31-16S-31E 30-015-24457-00-00 Inspection Inspector Violation? Non-Compliance? Action Due By: 01/26/2017 Routine/Periodic Tony Morales Yes No 5/1/2017 ï Violations Absent Well Identification Signs (Rule 103) Absent Well Identification Signs (Rule 103) Soot 5/1/2017 ï Comments on Inspection: OK. All Equipment and Location in Go	Inspection No. TM1702640168		
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NORTH SQUARE LAKE UNIT No.162 O-31-16S-31E 30-015-24457-00-00 Inspection Date Type Inspection Inspector Violation? Non-Compliance? Action Due By: 01/26/2017 Routine/Periodic Tony Morales Yes No 5/1/2017 if Violations Absent Well Identification Signs (Rule 103) Absent Son Inspection: OK. All Equipment and Location in Good Shape. PJ. POWER OFF NO ELECTRICAL MOTION			
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Violations Absent Well Identification Signs (Rule 103) Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ. POWER OFF NO ELECTRICAL MOT	TM1702638436		
Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ. POWER OFF NO ELECTRICAL MOT	11,11,02000,000		
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ECONTION SIGN NOT VISIBLE	OR		
NORTH SQUARE LAKE UNIT No.159 L-31-16S-31E 30-015-24706-00-00			
Inspection *Significant Corrective Date Type Inspection Inspector Violation? Non-Compliance? Action Due By:	Inspection No.		
01/26/2017 Routine/Periodic Tony Morales Yes No 5/1/2017 i	TM1702638052		
Violations			
General Housekeeping (Rule 114)			
Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELL HEAD. CONTAMINATED MATERIAL NEXT TO WELL HEAD			
NORTH SQUARE LAKE UNIT No.198 O-19-16S-31E 30-015-33047-00-00	l		
Inspection *Significant Corrective Date Type Inspection Inspector Violation? Non-Compliance? Action Due By:	Inspection No.		
	TM1702647425		
Violations	1111102047425		
General Housekeeping (Rule 114)			
Comments on Inspection: OK. All Equipment and Location in Good Shape. PJO. STAINING AROUND WELL HEAD. OLD CELLAR BOX ON LOCATION			
NORTH SQUARE LAKE UNIT No.199 A-30-16S-31E 30-015-33068-00-00)		
Inspection *Significant Corrective	Inspection No.		
	-		
Violations	TM1702648115		
Absent Well Identification Signs (Rule 103) General Housekeeping (Rule 114)			
Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ. OLD TUBING ON LOCATION. LOCATION SIGN NOT VISIBLE			

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, \mathcal{O}, \mathcal{C} 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.