State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen
Cabinet Secretary
Matthias Sayer

Heather RileyDivision Director



Deputy Cabinet Secretary

Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

06-Jul-18

LLJ VENTURES, LLC DBA MARKER OIL & GAS

P O BOX 3188

ROSWELL NM 88202

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		
BURNHAM Inspection Date	GRAYBURG Type Inspection		UNIT No.001B Inspector	Violation?	K-2-17S-30E *Significant Non-Compliance?	30-015-04045-00-00 Corrective Action Due By:	Inspection No.
07/06/2018	Routine/Perio	dic	Tony Morales	Yes	No	10/9/2018	iTM1818742940
Comments	on Inspection:	OK. All Equipme 19.15.29	ent and Location in	Good Shape.	PJ. STAINING AR	OUND WELL HEAD.	
BURNHAM Inspection Date	GRAYBURG Type Inspection	SAN ANDRES	UNIT No.003 Inspector	Violation?	I-2-17S-30E *Significant Non-Compliance?	30-015-04047-00-00 Corrective Action Due By:	Inspection No.
07/06/2018	Routine/Perio	dic	Tony Morales	Yes	No	10/9/2018	iTM1818746285
Comments	on Inspection:	OK. All Equipme 19.15.29 POWE		Good Shape.	PJ STAINING ARG	OUND WELLHEAD	
FEDERAL Inspection	R No.001 Type Inspection	1	Inspector	Violation?	G-10-17S-30E *Significant Non-Compliance?	30-015-04115-00-00 Corrective Action Due By:	Inspection No.
07/06/2018	Routine/Perio		Tony Morales	Yes	No	•	iTM1818739404
Comments of	on Inspection:		ent and Location in ED MATERIAL ON			ROUND WELL HEAD) .

FEDERAL R No.002

A-10-17S-30E

30-015-04170-00-00

Inspection Date

07/06/2018

Type Inspection Routine/Periodic Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

Tony Morales

Yes

No

iTM1818740342 10/9/2018

Comments on Inspection:

O K. All Equipment and Location in Good Shape.

PJ STAINING AROUND WELLHEAD

19.15.29

BURNHAM GRAYBURG SAN ANDRES UNIT No.004

BURNHAM GRAYBURG SAN ANDRES UNIT No.004A

J-2-17S-30E

30-015-24800-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

07/06/2018 Routine/Periodic **Tony Morales**

Yes No

10/9/2018

iTM1818744664

Comments on Inspection:

OK. All Equipment and Location in Good Shape. PJ. HOA OFF WELL HEAD STAINING

LOCATION SIGN NOT VISIBLE 19.15.16.8

N-2-17S-30E *Significant 30-015-24804-00-00

Corrective

Inspection No.

Inspection Date 07/06/2018

Type Inspection

Routine/Periodic

Inspector Tony Morales Violation? Yes

Non-Compliance? No

Action Due By: 10/9/2018

iTM1818747080

Comments on Inspection:

OK. All Equipment and Location in Good Shape.

PJ STAINING AROUND WELL HEAD.

19.15.29 POWER OFF

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 Di

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.