State Of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor Sarah Cottrell Propst Cabinet Secretary Todd E. Leahy, JD, PhD Deputy Cabinet Secretary

Adrienne Sandoval Division Director

<u>"Response Required - Deadline</u> <u>Enclosed"</u>

Field Inspection Program "Preserving the Integrity of Our Environment"

09-Nov-20

REMNANT OIL OPERATING, LLC P.O. Box 5375 Midland, TX 79704 **LETTER OF VIOLATION - Field Inspection**

RVATIO

Dear Operator:

The following inspection indicates that the well, equipment, location or operational status of the well 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 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

[30-025-28775] HIG	GINS TRUST INC #002	2	OGRID: 370922	M-21-16S-37E 660 FSL 510 FWL	
Inspection Date 10/16/2020	Type Inspection Routine Inspection	Inspector [EZB] Eugene Bolton	Corrective Action Due By 2/12/2021	Inspection No. iEZB2029052372	
Violations:					
Rule Vi		Violation			
19.15.10.8 Safety	Procedures for Drilling a	and Production Substandar	d Equipment and/or Needs Repair	ſ	
Comment: Fence open to live	estock in 2 places.				
19.15.16 Drilling and Production		Noncompli	Noncompliance with Requirements (Construction, Operations or Closure)		
Comment: Production shows	3/2019				

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.

Sincerely, Sta

Compliance Officer EMNRD-OCD

Hobbs OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

Oil Conservation Division * 1625 N. French Drive * Hobbs, NM 88240 Phone: 575-393-6161 * Fax: 575-393-0720 * www.emnrd.state.nm.us