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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-02316
5. Indicate Type of Lease STATE [X] FEE [ ]
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Mary Lou
8. Well Number 002
9. OGRID Number 372279
10. Pool name or Wildcat Millman; S-RVERS, East
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)
1. Type of Well: Oil Well [ ] Gas Well [ ] Other [ ]
2. Name of Operator LLJ Ventures LLC., DBA Marker Oil & Gas
3. Address of Operator PO Box 3188, Roswell, NM 88202
4. Well Location Unit Letter G : 1650 feet from the North line and 1650 feet from the East line
Section 29 Township 19S Range 28E NMPM County Eddy

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK [ ] PLUG AND ABANDON [ ]
TEMPORARILY ABANDON [ ] CHANGE PLANS [ ]
PULL OR ALTER CASING [ ] MULTIPLE COMPL [ ]
DOWNHOLE COMMINGLE [ ]
CLOSED-LOOP SYSTEM [ ]
OTHER: [ ]
SUBSEQUENT REPORT OF:
REMEDIAL WORK [ ] ALTERING CASING [ ]
COMMENCE DRILLING OPNS. [ ] P AND A [X]
CASING/CEMENT JOB [ ]
OTHER: [ ]

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

XTO Energy Inc., has P&A'd the above mentioned well per the attached P&A summary report and WBD, on behalf of operator LLJ Ventures LLC., DBA Marker Oil & Gas and OCD, please see the attached OCD Authorization Letter. Please see attached DHM Photos.

Spud Date: 07/27/1961

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Sherry Morrow TITLE Regulatory Analyst DATE 05/27/2025

Type or print name Sherry Morrow E-mail address: sherry.morrow@exxonmobil.com PHONE: (432) 967-7046

For State Use Only

APPROVED BY: TITLE DATE

Conditions of Approval (if any):

Mary Lou 002  
API 30-015-02316  
P&A Summary Report

4/15/25: MIRU. POOH LD 1 polished rod, 41 5/8" rods, 1 rod pump.

4/16/25: LD 1 jnt. NU flange and 3K BOP. TOH LD 35 jnts 2-3/8 L80 tbg and a perforated sub. Went in w/3-7/8 Watermelon mill.

4/17/25: ND/ NU 4 1/2" 8rd flange NU BOP. PU and attempted to RIH w/ 3 3/4" Pkr. BS, Parafin, Scale would not let Pkr. passed 2' passed Well head flange. (Measured and gauge prior to RIH) POOH LD Pkr. and one Jt. of 2 3/8" L80. Made up BHA w// a 3 7/8" watermelon mill RIH with 7 jts of 2 3/8" L80 tbg. we tag at 216' LD jt 7. Moved in RU PS. PU Jt 7 and began to mill at 216' pump 4 bbls dn. back side and were able to push through tight spot to 232' PU Jt. 8 and made 5' to EOT 237' ( end of mill 234') worked pipe and mill for an hour while feathering and increasing RPM and torque were not able to pass tight spot. RD PS POOH Ld. 8 Jts. and BHA to inspect.

4/18/25: PU BHA(Notch collar , 1 Jt. 2 3/8"L80, Watermelon Mill,XOver, Drill Collar and Tbg., Jt. 4 PU PS, On Jt. No. 5. tag @ 211' began to rotate PS and circ.. Pump 3 bbls of 10# BW Csg. filled and Noticed fluid leaking in between bell nipple 4 1/2" / 7" csg. POOH LD PS, 5 Jts 2 3/8" L80, BHA and Secured Well.

4/21/25: PU TIH 8 jnts and tagged 233'. LD 1 jnt and spaced out with 1-4', 1-6" and 1-10' sub. LD hole and got returns after 3 bbls. Tbg not plugged. Swapped to backside and attempted to circulate out the tbg. No returns at the tbg. We got returns back between the 4-1/2 and 7" csgs. Pumped dye down the 4-1/2 and got returns the 7". Good dye after 13 bbls. LD subs. RU PS and PU 1 jnts. Made connection. Tagged @ 234'. Pulled up 1'. And worked with swivel. Made 8". Got pieces of csg back out of the backside. Circ double bottoms up 15 bbls. LD 1 jnts and RD PS. TOH LD 7 jnts. RD bells. RU rod stripper PU pump w/1-7/8" OD. TIH 9 rods and tagged @ 238'. Attempted to work and stab through w/no luck. LD 9 rods and pump. PU TIH 10 rods (1.5" OD box on bottom) and tagged @ 238'. Worked rods and had them fall through on time to 241'. Could not get them to fall through anymore. TOH LD rods. RU Bells. PU Impression Block (3.75" OD). TIH 8 jnts 2-3/8 L80 tbg and tagged 243'. Set blocks down on tbg. TOH LD 8 jnts 2-3/8 L80 tbg and impression blocks.

4/22/25: Make up BHA (Bull nose center bore mill {3-3/16}, X-over from 2-3/8 PAC box to 2-3/8 EUE box, 1 ea. 2-7/8 Smooth DC, X-over, X-over, 3-1/4" Smooth OD SM, X-over, 6 ea 2-7/8 Smooth DC's, X-over. Total length 225.75'. 1 2-3/8 L80 10' sub. End of BHA @230'.

4/23/25: Per Cesar Martinez Bejarano (XTO Engineer) due to issues, no CIBP was set or CBL ran, this was discussed and approved by NMOCD Loren Diede.

LD sub. RU PS and PU 1 jnt 2-3/8 L80 tbg. Started milling at 225', got light drag at 228'. Made a connection and tagged solid at 242'. PU and circulated cleared w/9 bbls 10#. 1 bpm. Mill to 253'. Worked tbg up and down until we cleared through. Bringing back sand to surface. Made a connection attempted to go in without rotation. Unsuccessful. Rotated down to 267'. Stopped rotating and fell through to 285'. Circulated bottoms up to clean returns. Made connection went down without rotating or circulating. Made connection and fell through to 350'. Worked tbg. Still free. RD PS. TOH LD 4 jnts

and 5 DC's, SM and X-overs. TIH BN mill, 2 DC's, XO, 31 jnts 2-3/8 L80 tbg to 1080'. Tagged solid. Attempted to work through. Unsuccessful. Decision made to EIR and spot 30 sks Class C CMT. Attempted to EIR and was catching psi. Rocked it and surged it to 1500 psi a few times. Was able to finally get EIR. Pumped 10 bbls 10# BW to ensure that we did not lose injection. Pumped 1 bbl 10# w/LCM. Spotted 30 sks Class C CMT (Slurry Vol 7 bbls, CTOC @636'.) Displaced w/3 bbls 10# BW. TOH 31 jnts 2-3/8 L80 tbg, 2 DC's and BHA.

4/24/25: TIH 20 jnts 2-3/8 L80 tbg and 12 ' of jnt number 21. TTOC @653'. TOH LD 20 jnts 2-3/8 L80. NMOCD decided to spot 15 sks on top of CMT TIH 20 jnts 2-3/8 L80 tbg and a 10' sub. Spot 15 sks Class C CMT (Slurry vol 3.52 bbls, 217' FOF CTOC 435'). Displaced w/2 bbls 10# BW. WOC. PU TIH 14 jnts 2-3/8 L80 and TTOC @430'. Circulated 11 bbls dyed 10# BW to surface. TOH LD 14 jnts 2-3/8 L80 tbg. ND BOP and spool. Cleaned 7" csg. TIH 1 10' sub and 1 4' sub 2-3/8 L80 tbg and set pkr @ 10'. Circulated dye and got returns out the 7" after 6.5 bbls pumped. NMOCD let us sqz CMT to surface. Sqz 65 sks Class C CMT down 4.5" and up the 7" to good CMT at surface. Unset pkr and LD subs and pkr. Top filled 4.5" csg to surface.

4/25/25: RDMO.

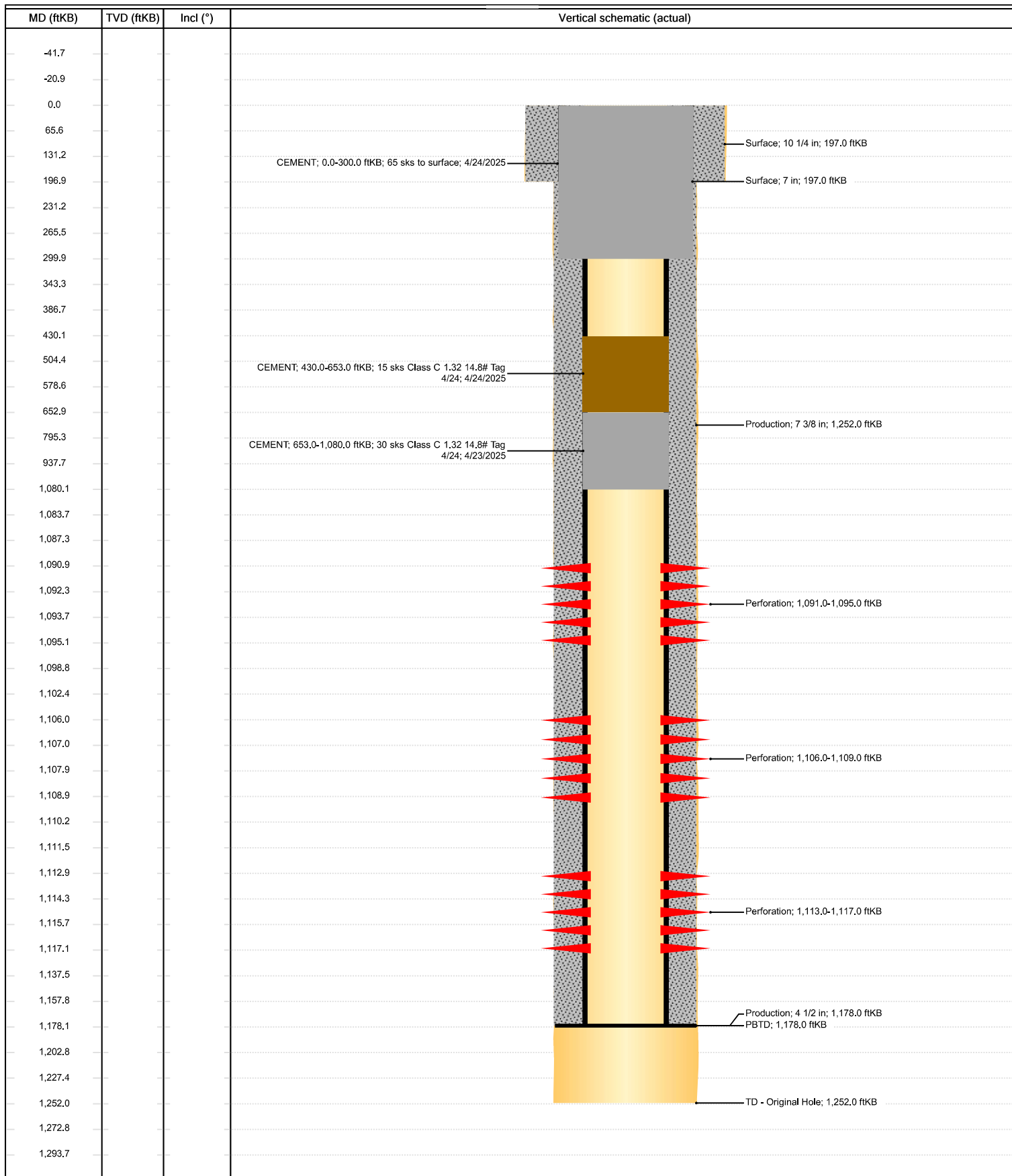
5/20/25: Cut off Wellhead and set DHM.



### Schematic - Vertical with Perfs

Well Name: Mary Lou 002

API/UWI 3001502316	SAP Cost Center ID	Permit Number	State/Province New Mexico	County Eddy
Surface Location T19S-R28E-S29	Spud Date 7/27/1961 00:00	Original KB Elevation (ft)	Ground Elevation (ft) 3,392.00	KB-Ground Distance (ft)











May 20, 2025 at 4:14:04 PM  
+32.634400,-104.195038  
Artesia NM 88210  
United States







State of New Mexico  
Energy, Minerals and Natural Resources Department

**Michelle Lujan-Grisham**  
Governor

**Melanie A. Kenderdine**  
Cabinet Secretary-Designate

**Benjamin Shelton**  
Deputy Secretary (Acting)

**Gerasimos Razatos**, Division Director (Acting)  
Oil Conservation Division



**BY ELECTRONIC MAIL**

Amanda Garcia  
Regulatory Supervisor  
**ExxonMobil Upstream Company**  
XTO Energy  
6401 Holiday Hill Road  
Midland, Texas 79707

**Re: Oil Conservation Division Authorization for ExxonMobil Upstream Company to Plug and Abandon Well(s)**

Ms. Garcia:

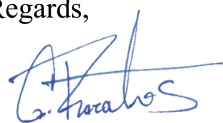
The Oil Conservation Division (“OCD”) received your request of November 11, 2024, requesting authorization for ExxonMobil Upstream Company (“XTO”), to plug and abandon the following wells: Mary Lou #001, API # 30-015-02315 and Mary Lou #002, API # 30-015-02316. LLJ Ventures, LLC DBA Marker Oil & Gas, (“LLJ”) is the registered operator of this well and XTO is the leaseholder where the well is located. As the leaseholder, XTO Energy may be deemed a responsible operator for purposes of plugging and remediation activities or for indemnification of costs incurred by OCD for such activities.

On October 11, 2024, OCD issued Final Order No. R-23494 (“R-23494”). R-23494 setting forth plugging compliance deadlines to be met by LLJ. That R-23494 and R-23494-A is incorporated herein as though set forth in full.

OCD hereby authorizes XTO, to plug and abandon the above-identified well on OCD’s behalf pursuant to its authority under R-23494.

Please contact Assistant General Counsel, Christy Treviño at (505)-607-4524 or [Christy.Trevino@emnrd.nm.gov](mailto:Christy.Trevino@emnrd.nm.gov), with questions, including the submission of plugging sundries as OCD will not be transferring operatorship to you and will need to place the plugging sundries into the well files.

Regards,

  
Gerasimos Razatos  
Director (Acting)

4/8/2025

Date

cc: EMNRD-OGC

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**OIL CONSERVATION DIVISION,  
PETITIONER**

v.

**LLJ VENTURES, LLC  
DBA MARKER OIL & GAS,  
RESPONDENT**

**CASE NO. 24801  
ORDER NO. R-23494**

**ORDER**

This matter came before the Director of the New Mexico Oil Conservation Division (“Division” or “OCD”) on the Notice of Violation (“NOV”) dated on or about July 23, 2024, issued to LLJ Ventures, LLC DBA Marker Oil & Gas, OGRID #372279 (“Operator”). The Division’s Hearing Examiner conducted a public hearing on October 3, 2024. The Director, having considered the testimony and evidence presented, and being otherwise fully advised in the premises, finds, concludes and orders:

**FINDINGS OF FACT**

1. The Division has jurisdiction over the parties and the subject matter herein.
2. On or about July 9, 2024, the Division issued the NOV, which alleged three violations:
  - a. Operator allegedly violated 19.15.5.9(A)(4)(a) NMAC. At the time of the NOV, Operator was the registered operator of one hundred and fifty wells in New Mexico. Under 19.15.5.9(A)(4)(a) NMAC, as the operator of 100 wells or less, Operator was not permitted to have more than two inactive wells out of compliance with 19.15.25.8 NMAC, which requires inactive wells to be plugged and abandoned or placed into approved temporary abandonment status. At the time of the NOV, Operator had one hundred and fifty inactive

**FINAL ORDER  
CASE NO. 24801  
1**

wells, which were not plugged and abandoned or placed into temporary abandonment status as demonstrated by OCD Ex. 4-A.

- b. Operator allegedly violated 19.15.8.9 NMAC by lacking financial assurance for fifty wells.
- c. Operator allegedly violated 19.15.7.24 NMAC by not filing the required monthly production reports, form C-115, as demonstrated by OCD Ex 4-B. Operator had not submitted a C-115 for any well since at least June 2022.

OCD Ex.4

- 3. Operator transferred two wells, authorized by OCD to another operator. On October 2, 2024, OCD filed updated Inactive Well Report, Financial Assurance Report, and Civil Penalty Calculator to reflect the approved transfer. OCD Ex. 8A-D.
- 4. Based on the approved transfer of two wells, the correct number of inactive wells is one hundred and forty-eight (OCD Ex. 8-A), and the wells lacking sufficient financial assurance is forty-eight. OCD Ex. 8-C.
- 5. The NOV demanded the following relief:
  - a. Operator shall plug and abandon all one hundred and forty-eight wells listed in by a certain date or failing to do so, the Division would assume that duty,
  - b. Operator's financial assurance shall be forfeited,
  - c. Operator's authority to transport from the one hundred and forty-eight registered wells identified in shall be terminated,
  - d. Operator is civilly liable for violations of 19.15.5.9(A)(4)(a), 19.15.8.9 and 19.15.7.24 NMAC in the amount of \$414,000.00.

6. The NOV informed Operator of OCD's informal resolution process, and in the event Operator did not respond to the NOV, that a formal hearing would occur on the October 3, 2024 docket.
7. Operator did not contact the Division during the informal resolution period or provide any evidence that the alleged violations had not occurred. Operator did not file a prehearing statement to enter an appearance or otherwise present evidence pursuant to 19.15.5 NMAC.
8. On August 14, 2024, OCD filed and served the Docketing Notice and formally requested a hearing. Operator did not answer the NOV as contemplated by 19.15.5.10(E)(2)(b) NMAC.
9. The Division provided Operator with notice of the October 3, 2024 hearing as required under 19.15.5.10 NMAC.
10. A hybrid hearing (in-person at Pecos Hall in Santa Fe, NM and virtually through Microsoft Teams) on the NOV was held on October 3, 2024 before a Division Hearing Examiner. Operator did not appear.
11. The Division presented the Affidavits of Nicholas Karns, Compliance Officer and Bond Administrator with the Division's Administrative and Compliance Bureau, and Sara Griego, OCD Law Clerk and corresponding exhibits.
12. The Division provided evidence of notice of the Docketing Statement. OCD Ex. 6.
13. Eight Exhibits were admitted into evidence without objection in support of the NOV.
14. Mr. Karns, who was previously qualified as an expert in administrative compliance before the Division, provided the following evidence in support of the ongoing violations:
  - a. As of October 3, 2024, Operator remained out of compliance with the inactive well requirements of 19.15.5.9(A)(4)(a) NMAC. As of October 1, 2024, Operator had one hundred and forty-eight wells, all of which were

inactive wells that had not been plugged and abandoned or placed in approved temporary abandonment status. OCD Ex. 8-A.

- b. Operator remained out of compliance with 19.15.8.9 NMAC by lacking financial assurance for forty-eight wells. OCD Ex. 8-C.
- c. Operator remained out of compliance with 19.15.7.24 NMAC, because Operator had not filed the required C-115 production reports since June 2022. OCD Ex 4-C.

15. The Oil and Gas Act provides that “[i]n assessing a penalty authorized by this section, the division shall take into account the seriousness of the violation, any good faith efforts to comply with the applicable requirements, any history of noncompliance under the Oil and Gas Act and other relevant factors.” NMSA 1978, §70-2-31(C). OCD provided evidence that the penalties were reasonable and in accordance with the law. OCD Ex. 8-D

#### **CONCLUSIONS OF LAW**


16. The Division has met its burden to show by a preponderance of evidence that Operator has violated 19.15.5.9(A)(4)(a) NMAC by failing to plug and abandon one hundred and forty-eight inactive wells.
17. Operator has violated 19.15.8.9 NMAC by lacking financial assurance for forty-eight of the subject wells.
18. Operator has violated 19.15.7.24 NMAC by failing to submit the required C-115 forms for all subject wells.
19. The civil penalties calculated by the Division are allowed by law, reasonable under 19.15.5.10(B) NMAC, and are supported by the evidence in the Administrative and Hearing Records.

**FINAL ORDER**  
**CASE NO. 24801**  
4

**ORDER**

20. Operator's authority to transport from subject wells is hereby suspended until such time as Operator is compliant with this Order and the NM Oil and Gas Act.
21. Operator shall plug and abandon all twelve wells listed in OCD Ex. 8-A no later than 30 days after issuance of this Order.
22. If Operator fails to plug and abandon the subject wells as directed herein, the Division shall be authorized to plug and abandon the wells and to forfeit the financial assurance for the wells. Such plugging activities may include necessary reclamation or remediation work associated with wells that have been partially plugged and abandoned, Operator shall pay the excess cost to plug and abandon the wells no later than 30 days after actual or attempted service of the Division's written demand. If the excess costs to the Division are not received, the Division may seek indemnification.
23. The Division retains jurisdiction of this matter for the entry of such further orders as it may deem necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



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**GERASIMOS RAZATOS  
ACTING DIRECTOR**

**FINAL ORDER  
CASE NO. 24801  
5**



**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

OIL CONSERVATION DIVISION  
PETITIONER

v.

LLJ VENTURES, LLC  
DBA MARKER OIL & GAS  
RESPONDENT

CASE NO. 24801  
ORDER NO. R-23484-A

**NUNC PRO TUNC ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having determined that an error occurred in Order R-23484 in this matter, which requires correction, issues the following *Nunc Pro Tunc* Order.

**FINDINGS OF FACT**

1. Order R-23484, issued October 11, 2024, (“Order”) contains an error the number of wells in paragraph 21 of the Order.
2. Exhibit 8-A is not reflective of the total number of wells OCD requested authorization over.
3. An administrative error was discovered in that Exhibit 8-A was missing a well that was included in the original filings, Exhibit 2-A of the Notice of Violation. API # 30-015-00689 GATES STATE #001 was to be included in the supplemental Exhibit 8-A. Exhibit 2-A was generated on July 24, 2024, showing one hundred and fifty wells. API # 30-015-00689 GATES STATE #001 was plugged on August 12, 2024. Amended exhibits were filed on October 11, 2024, showing one hundred and forty-seven wells. Exhibit 8-A was a regeneration of Exhibit 2-A, which was intended to show the two wells transferred off the inactive well list. However, since API # 30-015-00689 GATES STATE #001 was plugged, not released it was inadvertently removed from the inactive well list report as well.
4. Unbeknownst to OCD API # 30-015-00689 GATES STATE #001, was plugged and certain site inspections still need to be complete to release the well.
5. The number of wells OCD was seeking authorization over was indicated as one hundred and forty-eight throughout the record for Case No. 24801 on page 28 through page 40 of the transcript.

**ORDER**

6. Paragraph 21 of the Order is corrected to read as follows:

“21. Operator shall plug and abandon all remaining non-compliant wells listed in OCD Ex. 2-A no later than 30 days after issuance of this Order.”

7. The corrections are effective *nunc pro tunc* as of the date of the Order.

8. All other provisions of the Order remain in full force and effect.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



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**Gerasimos Razatos  
ACTING DIRECTOR**

**Date:** 12/24/2024

CASE NO. 24801  
ORDER NO. R-23484-A

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Sante Fe Main Office  
Phone: (505) 476-3441

General Information  
Phone: (505) 629-6116

Online Phone Directory  
<https://www.emnrd.nm.gov/ocd/contact-us>

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS

Action 467600

**CONDITIONS**

Operator: XTO ENERGY, INC 6401 Holiday Hill Road Midland, TX 79707	OGRID: 5380
	Action Number: 467600
	Action Type: [C-103] Sub. Plugging (C-103P)

**CONDITIONS**

Created By	Condition	Condition Date
loren.diede	None	5/28/2025