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"

27-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.

INSPECTION DETAIL SECTION

NORTH SQ Inspection Date	UARE LAKE Type Inspection	J NIT No.043	Inspector	Violation?	H-29-16S-31E *Significant Non-Compliance?	30-015-04909-00-0 Corrective Action Due By:) Inspection No.
01/27/2017	Routine/Period Violations General Housekee		Tony Morales	Yes	No	•	iTM1702737588
		CONTAMINA	TED MATERIAL N		LL HEAD.	OUND WELL HEAD.	
NORTH SC Inspection Date	UARE LAKE Type Inspection	JNIT No.025	Inspector	Violation?	A-29-16S-31E *Significant Non-Compliance?	30-015-04913-00-0 Corrective Action Due By:	0 Inspection No.
01/27/2017	Routine/Period Violations Surface Leaks/Spi		Tony Morales	Yes	No	5/2/2017	iTM1702737250
			-	. PJO. STAINING A DIL-BRINE AROUNI	ROUND WELL HEAI D WELLHEAD.)	

Inspection	UARE LAKE UNIT No.0			J-29-16S-31E *Significant	30-015-04914-00-0 Corrective	
Date	Type Inspection	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
01/27/2017	Routine/Periodic Violations General Housekeeping (Rule 114	Tony Morales	Yes	No	5/2/2017	iTM1702734966
Comments	on Inspection: OK. All Equ	ipment and Location ir	n Good Shape	. PJ. STAINING AR	OUND WELL HEAD),
-	UARE LAKE UNIT No.1	53		L-34-16S-31E	30-015-04993-00-	00
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
01/27/2017	Routine/Periodic Violations Absent Well Identification Signs	Tony Morales	Yes	No	5/2/2017	iTM1702750077
Comments		ipment and Location ir SIGN NOT VISIBLE.				
NORTH SC Inspection Date	UARE LAKE UNIT No.1 Type Inspection	77 Inspector	Violation?	G-29-16S-31E *Significant Non-Compliance?	30-015-32907-00- Corrective Action Due By:	00 Inspection No.
01/27/2017	Routine/Periodic Violations Surface Leaks/Spills General Housekeeping (Rule 114	Tony Morales	Yes	No	5/2/2017	iTM1702738408
		ipment and Location in IATED MATERIAL C	•		ROUND WELL HEA	.D.

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, Ren 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.