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



"Response Required - Deadline Enclosed"

Field Inspection Program "Preserving the Integrity of Our Environment"

06-Jul-20

P.O. Box 3188 Roswell, NM 88202

Dear Operator:

LLJ VENTURES, LLC DBA MARKER OIL & GAS **LETTER OF VIOLATION - Field Inspection**

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

[30-005-60428] FEDERAL HJ #002

19.15.25.8 Wells to be Properly Abandoned

OGRID: 372279

B-31-06S-26E 330 FNL 1650 FEL

Inspection Date

Type Inspection

Inspector

Corrective Action Due By

Inspection No.

3/20/2020

Routine Inspection

[CZH] Chad Hensley

10/7/2020

iCZH208032632

Violations:

Rule

Violation

Noncompliance with Plugging Requirements

Comment:

Violation of rule 19.15.25.8. LAST REPORTED PRODUCTION 4-1-11.

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.

Chad Hensley Artesia OCD District Office

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