State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin

Cabinet Secretary

Tony Delfin

Deputy Cabinet Secretary

David Catanach, Director
Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

30-Aug-16

REMNANT OIL OPERATING, LLC PO BOX 5375 MIDLAND TX 79704

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.

	<u> </u>	INSPECTION	V DE IAII	LSECTION	· · · · · · · · · · · · · · · · · · ·	
PENJACK Inspection Date	FEDERAL Type Inspection	No.001 Inspector	Violation?	D-6-10S-26E *Significant Non-Compliance?	30-005-60531-00-(Corrective Action Due By:	Inspection No.
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/3/2016	iGC1624333728
Comments	on Inspection: Well	Sign (Rule 19.15.16.8). OPER	ATOR (LEC	ACY) ON WELL SIG	ON IS NOT CORRECT	<u> </u>
JJ FEDERA Inspection Date	AL Type Inspection	No.001 Inspector	Violation?	I-1-10S-25E *Significant Non-Compliance?	30-005-60559-00-0 Corrective Action Due By:	O Inspection No.
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/3/2016	iGC1624338499
Comments	on Inspection: Well	Sign (Rule 19.15.16.8). OPER.	ATOR (LEG	ACY) ON WELL SIG	ON IS NOT CORRECT	Γ
LUKE FED Inspection Date	ERAL COM Type Inspection	No.001 Inspector	Violation?	F-24-10S-25E *Significant Non-Compliance?	30-005-61469-00-0 Corrective Action Due By:	O Inspection No.
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/3/2016	iGC1624344286
Comments o	on Inspection: Well	Sign (Rule 19.15.16.8). OPERA	ATOR (LEG	ACY) ON WELL SIG	ON IS NOT CORRECT	7

TYRELL FEDERAL COM No.001 C-13-10S-25E 30-005-61781-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: Routine/Periodic 08/30/2016 Gilbert Cordero Yes No 12/3/2016 iGC1624342203 Comments on Inspection: Well Sign (Rule 19.15.16.8), OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT SUZANNE FEDERAL No.001 A-23-10S-25E 30-005-61947-00-00 *Significant Corrective Inspection Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 08/30/2016 Routine/Periodic Gilbert Cordero No 12/3/2016 iGC1624344613 Yes Comments on Inspection: Well Sign (Rule 19.15.16.8), OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT. SIGN IS NOT LEGIBLE LISA FEDERAL No.001 L-13-10S-25E 30-005-62109-00-00 *Significant Inspection Corrective Type Inspection Violation? Inspection No. Date Inspector Non-Compliance? Action Due By: 08/30/2016 Routine/Periodic Gilbert Cordero No 12/3/2016 iGC1624341906 Yes Comments on Inspection: Weil Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT TYRELL FEDERAL COM No.002 G-13-10S-25E 30-005-62217-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: Yes 12/3/2016 iGC1624342533 08/30/2016 Routine/Periodic Gilbert Cordero No Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT PENJACK FEDERAL No.002 O-12-10S-25E 30-005-62465-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Action Due By: Non-Compliance? iGC1624337999 08/30/2016 Routine/Periodic Gilbert Cordero Yes No 12/3/2016 Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT MCCREA FEE COM No.002 B-1-10S-25E 30-005-62474-00-00 Inspection *Significant Corrective Violation? Inspection No. Type Inspection Inspector Action Due By: Date Non-Compliance? Yes iGC1624335333 08/30/2016 Routine/Periodic Gilbert Cordero No 12/3/2016 Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT Comments on Inspection: PENJACK FEDERAL No.003 H-12-10S-25E 30-005-62495-00-00 Inspection *Significant Corrective Violation? Inspection No. Type Inspection Inspector Date Non-Compliance? Action Due By: 12/3/2016 08/30/2016 Routine/Periodic Gilbert Cordero Yes No iGC1624338262 Well Sign (Rule 19.15.16.8), OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT Comments on Inspection: PENJACK FEDERAL No.004 K-6-10S-26E 30-005-62544-00-00 *Significant Corrective Inspection Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 12/3/2016 iGC1624331314 08/30/2016 Gilbert Cordero Yes No Routine/Periodic Well Sign (Rule 19.15.16.8), OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT Comments on Inspection: PENJACK FEDERAL L-7-10S-26E 30-005-62562-00-00 No.006 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: iGC1624330405 08/30/2016 Routine/Periodic Gilbert Cordero Yes No 12/3/2016

Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT

Comments on Inspection:

PENJACK FEDERAL No.007 I-7-10S-26E 30-005-62611-00-00 Inspection *Significant Corrective Type Inspection Violation? Inspection No. Inspector Date Non-Compliance? Action Due By: Routine/Periodic 08/30/2016 Gilbert Cordero No Yes 12/3/2016 iGC1624330622 Comments on Inspection: Well Sign (Rule 19.15.16.8), OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT AND SIGN IS NOT LEGIBLE PENJACK FEDERAL No.008 O-6-10S-26E 30-005-62672-00-00 Inspection *Significant Corrective Type Inspection Date Inspector Violation? Inspection No. Non-Compliance? Action Due By: 08/30/2016 Routine/Periodic Gilbert Cordero Yes No 12/3/2016 iGC1624331742 Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT JJ FEDERAL No.002 K-1-10S-25E 30-005-62678-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 08/30/2016 Routine/Periodic Gilbert Cordero Yes 12/3/2016 iGC1624336951 Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT, SIGN IS NOT LEGIBLE PENJACK FEDERAL No.009 G-6-10S-26E 30-005-62916-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: Gilbert Cordero Yes iGC1624332080 08/30/2016 Routine/Periodic No 12/3/2016 Comments on Inspection: Welf Sign (Rule 19.15.16.8), OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT F-1-10S-25E JJ FEDERAL No.003 30-005-63168-00-00 *Significant Inspection Corrective Violation? Inspection No. Type Inspection Inspector Date Non-Compliance? Action Due By: iGC1624336682 08/30/2016 Routine/Periodic Gilbert Cordero Yes No 12/3/2016 Comments on Inspection: No Well Sign (Rule 19.15.16.8). PENJACK FEDERAL No.010 I-12-10S-25E 30-005-63591-00-00 *Significant Corrective Inspection Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 08/30/2016 Routine/Periodic Gilbert Cordero Yes No 12/3/2016 iGC1624337864 Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT PENJACK FEDERAL No.011Q B-12-10S-25E 30-005-63592-00-00 *Significant Corrective Inspection Inspection No. Violation? Type Inspection Inspector Date Non-Compliance? Action Due By: iGC1624337543 08/30/2016 Routine/Periodic Gilbert Cordero Yes 12/3/2016 Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT TYRELL 13 FEDERAL COM No.004 A-13-10S-25E 30-005-63703-00-00 *Significant Inspection Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 08/30/2016 Routine/Periodic Gilbert Cordero Yes No 12/3/2016 iGC1624338867 Comments on Inspection: No Well Sign (Rule 19.15.16.8). M-1-10S-25E 30-005-63711-00-00 JJ 1 FEDERAL COM No.004 *Significant Corrective Inspection Violation? Inspection No. Inspector Type Inspection Date Non-Compliance? Action Due By: iGC1624337092 08/30/2016 Routine/Periodic Gilbert Cordero Yes No 12/3/2016 Well Sign (Rule 19.15.16.8), OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT Comments on Inspection:

COMANCHE HILL 18 FED No.001

2-18-10S-26E

30-005-63815-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance? Corrective

Inspection No. Action Due By:

08/30/2016

Routine/Periodic

Gilbert Cordero

Yes

No

12/3/2016

iGC1624330046

Comments on Inspection:

Well Sign (Rule 19.15.16.8), OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT

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 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.