

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.

INSPECTION DETAIL SECTION

PENJACK FEDERAL		No.001	D-6-10S-26E	30-005-60531-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	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). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT						

JJ FEDERAL		No.001	I-1-10S-25E	30-005-60559-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	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). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT						

LUKE FEDERAL COM		No.001	F-24-10S-25E	30-005-61469-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/3/2016	iGC1624344286
Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT						

TYRELL FEDERAL COM		No.001		C-13-10S-25E	30-005-61781-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/30/2016	Routine/Periodic	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	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/3/2016	iGC1624344613
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	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/3/2016	iGC1624341906
Comments on Inspection: Well 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 Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/3/2016	iGC1624342533
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 Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/3/2016	iGC1624337999
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 Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/3/2016	iGC1624335333
Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT						

PENJACK FEDERAL		No.003		H-12-10S-25E	30-005-62495-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/3/2016	iGC1624338262
Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT						

PENJACK FEDERAL		No.004		K-6-10S-26E	30-005-62544-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/3/2016	iGC1624331314
Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT						

PENJACK FEDERAL		No.006		L-7-10S-26E	30-005-62562-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/3/2016	iGC1624330405
Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT						

PENJACK FEDERAL		No.007	I-7-10S-26E	30-005-62611-00-00
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No
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 Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No
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 Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No
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 Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No
Comments on Inspection:		Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT		

JJ FEDERAL No.003			F-1-10S-25E	30-005-63168-00-00
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No
Comments on Inspection:		No Well Sign (Rule 19.15.16.8).		

PENJACK FEDERAL No.010			I-12-10S-25E	30-005-63591-00-00
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No
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
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No
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
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No
Comments on Inspection:		No Well Sign (Rule 19.15.16.8).		

JJ 1 FEDERAL COM No.004			M-1-10S-25E	30-005-63711-00-00
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?
08/30/2016	Routine/Periodic	Gilbert Cordero	Yes	No
Comments on Inspection:		Well Sign (Rule 19.15.16.8). OPERATOR (LEGACY) ON WELL SIGN IS NOT CORRECT		

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
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 Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,


Compliance Officer
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.