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"

14-Sep-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	V DETAII	L SECTION		
BO FEDER Inspection Date	AL Type Inspection	No.001 Inspector		H-23-9S-25E *Significant Non-Compliance?	30-005-61042-00-0 Corrective Action Due By:	O Inspection No.
09/14/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/18/2016	iGC1625845415
Comments	on Inspection: Well Sig	gn (Rule 19.15.16.8). OPERA	ATOR NAM	E (LEGACY) IS NO	TCORRECT	
PECOS RIV Inspection Date	VER FEDERAL Type Inspection	No.001 Inspector	Violation?	K-23-9S-25E *Significant Non-Compliance?	30-005-61237-00-0 Corrective Action Due By:	0 Inspection No.
09/14/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/18/2016	iGC1625841349
Comments	on Inspection: Well Sig	gn (Rule 19.15.16.8). OPER	ATOR NAM	E (LEGACY) IS NO	T CORRECT	
LEEMAN F Inspection Date	FEDERAL Type Inspection	No.002 Inspector	Violation?	P-12-9S-25E *Significant Non-Compliance?	30-005-61838-00-0 Corrective Action Due By:	0 Inspection No.
09/14/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/18/2016	iGC1625846213
Comments	on Inspection: Well Si	gn (Rule 19.15.16.8). OPER.	ATOR NAM	E (LEGACY) IS NO	T CORRECT	

TOLMAC S' Inspection	TATE	No.00)3		G-36-9S-25E *Significant	30-005-61926-00-0 Corrective	0
Date	Type Inspection	· .	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
09/14/2016	Routine/Period	lic	Gilbert Cordero	Yes	No	12/18/2016	iGC1625834478
Comments o	n Inspection:	Well Sign (Rule	19.15.16.8). SIGN I	S NOT LEG	IBLE		
PJ FEDERA Inspection	L COM	No.0	02		B-13-9S-25E *Significant	30-005-62047-00-0 Corrective	0
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
09/14/2016	Routine/Period	lic	Gilbert Cordero	Yes	No	12/18/2016	iGC1625846388
Comments o	n Inspection:	Well Sign (Rule	19.15.16.8). OPER/	ATOR NAM	E (LEGACY) IS NO	Г CORRECT	
TOLMAC S	TATE	No.00)4		F-36-9S-25E	30-005-62209-00-0	0
Inspection					*Significant	Corrective	
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
09/14/2016	Routine/Period		Gilbert Cordero	Yes	No	12/18/2016	iGC1625834635
Comments o	n Inspection:	Well Sign (Rule	19.15.16.8). OPERA	ATOR NAM	E (LEGACY) IS NOT	T CORRECT	
RICK FEDE	ERAL COM	N	0.001		H-26-9S-25E	30-005-62215-00-0	0
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
09/14/2016	Routine/Period	lic	Gilbert Cordero	Yes	No	12/18/2016	iGC1625838031
	n Inspection:	Well Sign (Rule	19.15.16.8). OPER/	ATOR NAM	E (LEGACY) IS NO		
					0.05.05.055	20.005 (2440.00)	<u>.</u>
MM FEDER Inspection	KAL	No.004	•		O-25-9S-25E *Significant	30-005-62449-00-0 Corrective	iu
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
09/14/2016	Routine/Period	lic	Gilbert Cordero	Yes	No	12/18/2016	iGC1625833995
Comments o	n Inspection:	Well Sign (Rule	19.15.16.8). OPER	ATOR NAM	E (LEGACY) IS NO	T CORRECT	
MM FEDER	RAL	No.005	5		E-25-9S-25E	30-005-62450-00-0	0
Inspection	Type Inspection		T	Vi-1-49	*Significant	Corrective	Inspection No.
Date 09/14/2016		1:_	Inspector Gilbert Cordero	Violation? Yes	Non-Compliance? No	Action Due By: 12/18/2016	iGC1625838199
• •	Routine/Period		0.000.000.000		IND E (LEGACY) IS NO		1001023030199
		in on Bigit (1999					
MM FEDER	RAL	No.006	6		I-26-9S-25E	30-005-62451-00-0)0
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
09/14/2016	Routine/Period	lic	Gilbert Cordero	Yes	Non-compliance.	12/18/2016	iGC1625837841
					E (LEGACY) IS NO		
							<u> </u>
MM FEDER Inspection		No.007		www.w	K-25-9S-25E *Significant	30-005-62493-00-0 Corrective	
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
09/14/2016	Routine/Period		Gilbert Cordero	Yes	No	12/18/2016	iGC1625836561
Comments o	on Inspection:	Well Sign (Rule	19.15.16.8). OPER	ATOR NAM	IE (LEGACY) IS NO	TCORRECT	
MM FEDER	RAL	No.008	8		G-25-98-25E	30-005-62494-00-0)0
Inspection	Type Inspection		Inspector	Violation?	*Significant	Corrective	Inspection No.
•	I VUC INSDECTOR		raspector	VIUMBIUI (Non-Compliance?	Action Due By:	Insherron 140.
Date		dia	Gilbert Conders	Vec	No	12/18/2016	IGC1625927247
Date 09/14/2016	Routine/Period		Gilbert Cordero	Yes	No IE (LEGACY) IS NO	12/18/2016	iGC162583724

RICK FED	ERAL	No.00	2		P-23-9S-25E *Significant	30-005-62533-00-0 Corrective	0
Date	Type Inspection	0	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
09/14/2016	Routine/Peric	odic	Gilbert Cordero	Yes	No	12/18/2016	iGC1625838566
Comments	on Inspection:	Well Sign (Rule	19.15.16.8). OPER/	ATOR NAM	E (LEGACY) IS NOT	Г CORRECT	······
JILL FEDE Inspection	RAL	No.001			K-24-9S-25E *Significant	30-005-62640-00-(Corrective)0
Date	Type Inspection	n	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
09/14/2016	Routine/Peric	odic	Gilbert Cordero	Yes	No	12/18/2016	iGC1625838730
Comments	on Inspection:	Well Sign (Rule	19.15.16.8). OPER/	ATOR NAM	E (LEGACY) IS NOT	T CORRECT	
MM FEDE	RAL COM	No	.010		A-35-9S-25E	30-005-62676-00-()0
Inspection Date	Type Inspectio	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
09/14/2016	Routine/Peric		Gilbert Cordero	Yes	Non-Compliance: No	12/18/2016	iGC1625835603
	on Inspection:				IE (LEGACY) IS NO		1001025055005
	on inspection.		19.13.10.8). OI EK		E (LEGACI) IS NO		
TOLMACK	K STATE No.0	05			A-36-9S-25E	30-005-63195-00-(00
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
09/14/2016	Routine/Peric		Gilbert Cordero	Yes	No	12/18/2016	iGC1625833626
	on Inspection:				IE (LEGACY) IS NO		
MM FEDE	DAT No 011				C-25-05-25E	30_005_63100_00_0	M)
MM FEDE Inspection Date	RAL No.011 Type Inspection	D	Inspector	Violation?	C-25-9S-25E *Significant Non-Compliance?	30-005-63199-00-(Corrective Action Due By:)0 Inspection No.
Inspection Date			Inspector Gilbert Cordero	Violation? Yes	*Significant	Corrective	Inspection No.
Inspection Date 09/14/2016	Type Inspection	odic	Gilbert Cordero	Yes	*Significant Non-Compliance?	Corrective Action Due By: 12/18/2016	
Inspection Date 09/14/2016 Comments	Type Inspection Routine/Peric on Inspection:	odic Well Sign (Rule	Gilbert Cordero	Yes	*Significant Non-Compliance? No IE (LEGACY) IS NO?	Corrective Action Due By: 12/18/2016	Inspection No. iGC1625837427
Inspection Date 09/14/2016 Comments	Type Inspection Routine/Peric	odic Well Sign (Rule 06	Gilbert Cordero	Yes	*Significant Non-Compliance? No	Corrective Action Due By: 12/18/2016 T CORRECT	Inspection No. iGC1625837427
Inspection Date 09/14/2016 Comments TOLMACK Inspection Date	Type Inspection Routine/Peric on Inspection: & STATE No.0	odic Well Sign (Rule 06 n	Gilbert Cordero 19.15.16.8). OPER	Yes ATOR NAM	*Significant Non-Compliance? No IE (LEGACY) IS NO L-36-9S-25E *Significant	Corrective Action Due By: 12/18/2016 T CORRECT 30-005-63566-00-(Corrective	Inspection No. iGC1625837427
Inspection Date 09/14/2016 Comments TOLMACE Inspection Date 09/14/2016	Type Inspection Routine/Peric on Inspection: STATE No.0 Type Inspection	odic Well Sign (Rule 06 n odic	Gilbert Cordero 19.15.16.8). OPERA Inspector Gilbert Cordero	Yes ATOR NAM Violation? Yes	*Significant Non-Compliance? No IE (LEGACY) IS NO L-36-9S-25E *Significant Non-Compliance?	Corrective Action Due By: 12/18/2016 T CORRECT 30-005-63566-00-(Corrective Action Due By: 12/18/2016	Inspection No. iGC1625837427)0 Inspection No.
Inspection Date 09/14/2016 Comments TOLMACE Inspection Date 09/14/2016 Comments	Type Inspection Routine/Peric on Inspection: STATE No.0 Type Inspection Routine/Peric on Inspection:	odic Well Sign (Rule 06 n odic Well Sign (Rule	Gilbert Cordero 19.15.16.8). OPERA Inspector Gilbert Cordero	Yes ATOR NAM Violation? Yes	*Significant Non-Compliance? No IE (LEGACY) IS NO L-36-9S-25E *Significant Non-Compliance? No	Corrective Action Due By: 12/18/2016 T CORRECT 30-005-63566-00-(Corrective Action Due By: 12/18/2016 T CORRECT	Inspection No. iGC1625837427 00 Inspection No. iGC1625832949
Inspection Date 09/14/2016 Comments TOLMACH Inspection Date 09/14/2016 Comments MM 25 FEI Inspection	Type Inspection Routine/Peric on Inspection: STATE No.0 Type Inspection Routine/Peric on Inspection: DERAL No.01	odic Well Sign (Rule 06 n odic Well Sign (Rule 2	Gilbert Cordero 19.15.16.8). OPER. Inspector Gilbert Cordero 19.15.16.8). OPER.	Yes ATOR NAM Violation? Yes ATOR NAM	*Significant Non-Compliance? No IE (LEGACY) IS NO L-36-9S-25E *Significant Non-Compliance? No IE (LEGACY) IS NO M-25-9S-25E *Significant	Corrective Action Due By: 12/18/2016 T CORRECT 30-005-63566-00-(Corrective Action Due By: 12/18/2016 T CORRECT 30-005-63712-00-(Corrective	Inspection No. iGC1625837427 00 Inspection No. iGC1625832949
Inspection Date 09/14/2016 Comments TOLMACH Inspection Date 09/14/2016 Comments MM 25 FEI	Type Inspection Routine/Peric on Inspection: STATE No.0 Type Inspection Routine/Peric on Inspection:	odic Well Sign (Rule 06 n odic Well Sign (Rule 2 n	Gilbert Cordero 19.15.16.8). OPERA Inspector Gilbert Cordero	Yes ATOR NAM Violation? Yes	*Significant Non-Compliance? No IE (LEGACY) IS NO L-36-9S-25E *Significant Non-Compliance? No IE (LEGACY) IS NO M-25-9S-25E	Corrective Action Due By: 12/18/2016 T CORRECT 30-005-63566-00-(Corrective Action Due By: 12/18/2016 T CORRECT 30-005-63712-00-(Inspection No. iGC1625837427 00 Inspection No. iGC1625832949

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,

Filbert Cordero 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.