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	N DETAIL	L SECTION		
BO FEDER Inspection Date	AL N Type Inspection	lo.001 Inspector	Violation?	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	n (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	n (Rule 19.15.16.8). OPERA	ATOR NAM	E (LEGACY) IS NO	TCORRECT	
LEEMAN F	FEDERAL	No.002		P-12-9S-25E	30-005-61838-00-0	0
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
09/14/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/18/2016	iGC1625846213
Comments	on Inspection: Well Sig	n (Rule 19.15.16.8). OPER.	ATOR NAM	E (LEGACY) IS NO	T CORRECT	

TOLMAC S Inspection Date 09/14/2016 Comments o	Type Inspection Routine/Periodic	No.003 Inspector Gilbert Cordero ign (Rule 19.15.16.8). SIGN I	Violation? Yes (S NOT LEC	G-36-9S-25E *Significant Non-Compliance? No	30-005-61926-00-0 Corrective Action Due By: 12/18/2016	0 Inspection No. iGC1625834478
PJ FEDERA Inspection Date 09/14/2016	Type Inspection Routine/Periodic	No.002 Inspector Gilbert Cordero	Violation? Yes	B-13-9S-25E *Significant Non-Compliance? No	30-005-62047-00-0 Corrective Action Due By: 12/18/2016	0 Inspection No. iGC1625846388
TOLMAC S Inspection Date 09/14/2016	TATE Type Inspection Routine/Periodic	ign (Rule 19.15.16.8). OPERA No.004 Inspector Gilbert Cordero ign (Rule 19.15.16.8). OPERA	Violation? Yes	F-36-9S-25E *Significant Non-Compliance? No	30-005-62209-00-0 Corrective Action Due By: 12/18/2016	0 Inspection No. iGC1625834635
RICK FEDH Inspection Date 09/14/2016	ERAL COM Type Inspection Routine/Periodic	No.001 Inspector Gilbert Cordero ign (Rule 19.15.16.8). OPER/	Violation? Yes	H-26-9S-25E *Significant Non-Compliance? No	30-005-62215-00-0 Corrective Action Due By: 12/18/2016	0 Inspection No. iGC1625838031
MM FEDER Inspection Date 09/14/2016 Comments of	Type Inspection Routine/Periodic	No.004 Inspector Gilbert Cordero ign (Rule 19.15.16.8). OPER.	Violation? Yes ATOR NAM	O-25-9S-25E *Significant Non-Compliance? No E (LEGACY) IS NO	30-005-62449-00-0 Corrective Action Due By: 12/18/2016 Г CORRECT	0 Inspection No. iGC1625833995
MM FEDER Inspection Date 09/14/2016 Comments of	Type Inspection Routine/Periodic	No.005 Inspector Gilbert Cordero ign (Rule 19.15.16.8). OPER.	Violation? Yes ATOR NAM	E-25-9S-25E *Significant Non-Compliance? No E (LEGACY) IS NO	30-005-62450-00-0 Corrective Action Due By: 12/18/2016 T CORRECT	0 Inspection No. iGC1625838199
MM FEDEI Inspection Date 09/14/2016	RAL Type Inspection Routine/Periodic	No.006 Inspector Gilbert Cordero ign (Rule 19.15.16.8). OPER	Violation? Yes	I-26-9S-25E *Significant Non-Compliance? No	30-005-62451-00-0 Corrective Action Due By: 12/18/2016	0 Inspection No. iGC1625837841
MM FEDER Inspection Date 09/14/2016 Comments of	Type Inspection Routine/Periodic	No.007 Inspector Gilbert Cordero ign (Rule 19.15.16.8). OPER	Violation? Yes ATOR NAM	K-25-9S-25E *Significant Non-Compliance? No IE (LEGACY) IS NO	30-005-62493-00-6 Corrective Action Due By: 12/18/2016 T CORRECT	0 Inspection No. iGC1625836561
MM FEDEI Inspection Date 09/14/2016 Comments of	Type Inspection Routine/Periodic	No.008 Inspector Gilbert Cordero ign (Rule 19.15.16.8). OPER	Violation? Yes ATOR NAM	G-25-9S-25E *Significant Non-Compliance? No IE (LEGACY) IS NO	30-005-62494-00-(Corrective Action Due By: 12/18/2016 T CORRECT	0 Inspection No. iGC1625837247

RICK FEDERAL Inspection		No.002			P-23-9S-25E *Significant	30-005-62533-00-0 Corrective	
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
09/14/2016	Routine/Peric		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	I CORRECT	
JILL FEDE Inspection		No.001			K-24-9S-25E *Significant	30-005-62640-00-0 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 of	on Inspection:	Well Sign (Rule	19.15.16.8). OPER	ATOR NAM	E (LEGACY) IS NO	T CORRECT	
MM FEDEI Inspection	RAL COM	No	010		A-35-9S-25E *Significant	30-005-62676-00-0 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	iGC1625835603
Comments of	on Inspection:	Well Sign (Rule	19.15.16.8). OPER	ATOR NAM	E (LEGACY) IS NO	Г CORRECT	
TOLMACK Inspection	STATE No.0				A-36-9S-25E *Significant	30-005-63195-00-0 Corrective	
Date	Type Inspection		Inspector	Violation?	• Non-Compliance?	Action Due By:	Inspection No.
09/14/2016	Routine/Peric		Gilbert Cordero	Yes	No	12/18/2016	iGC1625833626
Comments	on Inspection:	Well Sign (Rule	19.15.16.8). OPERA	ATOR NAM	E (LEGACY) IS NO	T CORRECT	
MM FEDEI	RAL No.011				C-25-9S-25E	30-005-63199-00-	00
Inspection Date	Type Inspectio	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
09/14/2016	Routine/Peric	odic	Gilbert Cordero	Yes	No	12/18/2016	iGC1625837427
Comments	on Inspection:	Well Sign (Rule	19.15.16.8). OPER.	ATOR NAM	E (LEGACY) IS NO	T CORRECT	
	X STATE No.0	06			L-36-9S-25E	30-005-63566-00-()0
Inspection Date	Type Inspectio	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
09/14/2016	Routine/Perio	odic	Gilbert Cordero	Yes	No	12/18/2016	iGC1625832949
Comments	on Inspection:		19.15.16.8). OPER	ATOR NAM	E (LEGACY) IS NO	T CORRECT	
MM 25 FEI	DERAL No.01	2			M-25-9S-25E	30-005-63712-00-	00
			Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
Inspection Data	I VDE INSDECTIO		Mopvever		Non-Computation	Activit Duc Dy.	
Inspection Date 09/14/2016	Type Inspectio Routine/Perio		Gilbert Cordero	Yes	No	12/18/2016	iGC1625835155

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,

ordero 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.