State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary David Catanach Division Director



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

13-Oct-17

REMNANT OIL OPERATING, LLC

PO Box 5375 Midland TX 79704-9704

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.

			INSPECTIO	N DETAIL	SECTION				
TURKEY TRACK SEC 3 UNIT No.009 Inspection Date Type Inspection			Inspector	Violation?	H-3-19S-29E *Significant Non-Compliance?	30-015-03557-00- Corrective Action Due By:	00 Inspection No.		
10/13/2017	7 Routine/Periodic Violations Surface Leaks/Spills		Tony Morales	Yes	No	1/16/2018	iTM1728632555		
Comments	on Inspection:		nent and Location in A APPROX 10' X	•		AROUND WELL HE	EAD+.		
	RACK SEC 3	UNIT No.003			C-3-19S-29E	30-015-10454-00-	00		
Inspection Date	Type Inspectio	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.		
10/13/2017	Routine/Perie Violations	odie	Tony Morales	Yes	No	1/16/2018	iTM1728640980		
	General Housek	eeping (Rule 114)							
Comments on Inspection:		OK. All Equipment and Location in Good Shape. STAINING AROUND WELLHEAD. OLD UNMARKED 55 GALLON DRUM ON LOCATION. CONTAMINATED MATERIAL ON LOCATION 19.15.10.8							

TURKEY T Inspection Date	RACK SEC 3 Type Inspection	UNIT No.018	Inspector	Violation?	G-3-19S-29E *Significant Non-Compliance?	30-015-21990-00-0 Corrective Action Due By:)() Inspection No.
10/13/2017	Routine/Perio Violations	dic	Tony Morales	s Yes	No	1/16/2018	iTM1728639369
	General Houseke	eping (Rule 114)					
Comments o	on Inspection:	LOCATION. TA	ent and Location in ANK BATTERIES CARDS / WINDSO	NO SECONI	DARY IMPERMEA	AROUND WELL HE BLE CONTAINMENT	
TURKEY T	RACK SEC 3	UNIT No.025			J-3-19S-29E	30-015-23711-00-0)0
Inspection Date	Type Inspection	1	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/13/2017	Routine/Perio Violations General Houseke	edic eping (Rule 114)	Tony Morales	Yes	No	1/16/2018	iTM1728639036
Comments o	on Inspection:		ent and Location in SUCKER RODS C			AROUND WELLHE	AD
TURKEY TRACK SEC 3 UNIT No.026 Inspection Date Type Inspection		Inspector	Violation?	K-3-19S-29E *Significant Non-Compliance?	30-015-23761-00-(Corrective Action Due By:)() Inspection No.	
10/13/2017	Routine/Peric Violations General Houseke	odic eeping (Rule 114)	Tony Morales	Yes	No	1/16/2018	iTM1728640000
Comments	on Inspection:		ent and Location in 10.8	n Good Shape.	PJO. STAININ	G AROUND WELL	
TURKEY TRACK SEC 3 Inspection				H-3-19S-29E *Significant	30-015-25148-00-00 Corrective		
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
10/13/2017	Routine/Perio Violations Surface Leaks/Sp		Tony Morales	Yes	No	1/16/2018	iTM1728632118
Comments on Inspection:		OK. All Equipment and Location in Good Shape. PJO. STAINING AROUND WELL HEAD. 19.15.10.8					

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, (OW) 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.