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"

01-Jul-16

LARRY MARKER DBA MARKER OIL

PO BOX 3188 Roswell NM 88202-8202

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		
NORTH SQ Inspection Date 07/01/2016	QUARE LAKE UNIT No.043 Type Inspection Routine/Periodic Violations	Inspector Tony Morales	Violation? Yes	H-29-16S-31E *Significant Non-Compliance? No	30-015-04909-00- Corrective Action Due By: 10/4/2016	00 Inspection No. iTM1618333992
	FRESH OIL	nent and Location ir	1 Good Shape		ROUND WELL HEA	
NORTH SQ Inspection Date	UARE LAKE UNIT No.166 Type Inspection	Inspector	Violation?	M-33-16S-31E *Significant Non-Compliance?	30-015-04968-00- Corrective Action Due By:	VU Inspection No.
07/01/2016	Routine/Periodic Violations	Tony Morales	Yes	No	10/4/2016	iTM1618337746
	Absent Well Identification Signs (R	-la 102)				

Data	UARE LAKE		Inspector	Violation?	L-33-16S-31E *Significant	30-015-04969-00-0 Corrective	Inspection No.
Date 07/01/2016	•••		-		Non-Compliance?	Action Due By: 10/4/2016	-
57/01/2010	Routine/Peric Violations	ntification Signs (Ri	Tony Morales	Yes	No	10/4/2010	iTM1618338139
Comments of	n Inspection:	e .		Good Shape	PJ LOCATION SIG	GN NOT VISIBLE	
	-			i Good onape.			
Inspection	UAKE LAKE	UNIT No.135			B-33-16S-31E *Significant	30-015-04984-00-0 Corrective	ⁱ u
Date	Type Inspection	a	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
07/01/2016	Routine/Peric Violations		Tony Morales	Yes	No	10/4/2016	iTM161834157
G (ntification Signs (R	-	a 1.0			
Comments o	on Inspection:	OK. All Equipm BATTERIES O		Good Shape.	. PJ. LOCATION SI	GN NOT VISIBLE. TA	ANK
-	UARE LAKE	UNIT No.153			L-34-16S-31E	30-015-04993-00-0	0
Inspection Date	Type Inspectio	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/01/2016	Routine/Perio		Tony Morales	Yes	Non-Compnance:	10/4/2016	iTM1618342504
	Violations		101.j			10/ 11/2010	
		ntification Signs (R	ule 103)			×	
_		eeping (Rule 114)					
Comments o	on Inspection:	LOCATION SIG		CONTAMIN		OUND WELL HEAD. NEXT TO WELL HEA	
NORTH SQ	UARE LAKE	UNIT No.106			B-32-16S-31E	30-015-25029-00-0	0
Inspection			• .		*Significant	Corrective	
Date	Type Inspectio		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
07/01/2016	Routine/Perio Violations	odic eeping (Rule 114)	Tony Morales	Yes	No	10/4/2016	iTM161833568
Comments	on Inspection:	OK. All Equipm	nent and Location in EA APPROX. 10' X		. PJO. STAINING A	ROUND WELL HEA	D.
NORTH SO	UARE LAKE	UNIT No.177			G-29-16S-31E	30-015-32907-00-0	0
					*Significant	Corrective	
Inspection	T		T 4	X71 1 41 (1			Taxan antion Mo
Inspection Date	Type Inspectio		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
Inspection Date	Routine/Perio Violations	odic	Inspector Tony Morales	Violation? Yes	Non-Compliance? No		Inspection No. iTM1618333220
Inspection Date 07/01/2016	Routine/Perio Violations General Housek	odic eeping (Rule 114)	Tony Morales	Yes	No	Action Due By: 10/4/2016	iTM161833322
Inspection Date 07/01/2016	Routine/Perio Violations	odic æping (Rule 114) OK. All Equipn	Tony Morales	Yes 1 Good Shape	No . pjo. staining a	Action Due By:	iTM161833322
Inspection Date 07/01/2016 Comments of	Routine/Perio Violations General Housekon Inspection:	odic eeping (Rule 114) OK. All Equipn CONTAMINAT	Tony Morales	Yes 1 Good Shape	No . PJO. STAINING A N.	Action Due By: 10/4/2016 AROUND WELL HEA	iTM161833322
Inspection Date 07/01/2016 Comments of NORTH SQ Inspection	Routine/Perio Violations General Housek on Inspection:	odic eeping (Rule 114) OK. All Equipn CONTAMINAT	Tony Morales ment and Location in TED MATERIAL O	Yes n Good Shape ON LOCATIO	No . pjo. staining a	Action Due By: 10/4/2016	iTM161833322 D.
Inspection Date 07/01/2016 Comments of NORTH SQ Inspection Date	Routine/Perio Violations General Housek on Inspection: UARE LAKE Type Inspectio	odic eeping (Rule 114) OK. All Equipn CONTAMINAT	Tony Morales nent and Location in TED MATERIAL O Inspector	Yes n Good Shape ON LOCATIO Violation?	No . PJO. STAINING A N. F-33-16S-31E *Significant Non-Compliance?	Action Due By: 10/4/2016 AROUND WELL HEA 30-015-33102-00-0 Corrective Action Due By:	iTM161833322 D. 00 Inspection No.
Inspection Date 07/01/2016 Comments of NORTH SQ Inspection	Routine/Perio Violations General Housek on Inspection: UARE LAKE Type Inspectio Routine/Perio Violations	odic eeping (Rule 114) OK. All Equipn CONTAMINAT UNIT No.187 n odic	Tony Morales ment and Location in TED MATERIAL O	Yes n Good Shape ON LOCATIO	No . PJO. STAINING A N. F-33-16S-31E *Significant	Action Due By: 10/4/2016 AROUND WELL HEA 30-015-33102-00-0 Corrective	;TM161833322 D.
Inspection Date 07/01/2016 Comments of NORTH SQ Inspection Date 07/01/2016	Routine/Perio Violations General Houseko on Inspection: UARE LAKE Type Inspectio Routine/Perio Violations General Houseko	odic eeping (Rule 114) OK. All Equipn CONTAMINAT CUNIT No.187 n odic eeping (Rule 114)	Tony Morales nent and Location in TED MATERIAL O Inspector Tony Morales	Yes n Good Shape ON LOCATIO Violation? Yes	No PJO. STAINING A N. F-33-16S-31E *Significant Non-Compliance? No	Action Due By: 10/4/2016 AROUND WELL HEA 30-015-33102-00-0 Corrective Action Due By: 10/4/2016	iTM161833322 D. 00 Inspection No. iTM161834027
Inspection Date 07/01/2016 Comments of NORTH SQ Inspection Date 07/01/2016 Comments of	Routine/Perio Violations General Housekon Inspection: UARE LAKE Type Inspectio Routine/Perio Violations General Housekon Inspection:	odic eeping (Rule 114) OK. All Equipn CONTAMINAT UNIT No.187 n odic eeping (Rule 114) OK. All Equipn	Tony Morales ment and Location in TED MATERIAL O Inspector Tony Morales	Yes n Good Shape ON LOCATIO Violation? Yes	No PJO. STAINING A N. F-33-16S-31E *Significant Non-Compliance? No . PJO. STAINING A	Action Due By: 10/4/2016 AROUND WELL HEA 30-015-33102-00-0 Corrective Action Due By: 10/4/2016	iTM161833322 D. 00 Inspection No. iTM161834027 D
Inspection Date 07/01/2016 Comments of NORTH SQ Inspection Date 07/01/2016 Comments of NORTH SQ	Routine/Perio Violations General Housekon Inspection: UARE LAKE Type Inspectio Routine/Perio Violations General Housekon Inspection:	odic eeping (Rule 114) OK. All Equipn CONTAMINAT CUNIT No.187 n odic eeping (Rule 114)	Tony Morales ment and Location in TED MATERIAL O Inspector Tony Morales	Yes n Good Shape ON LOCATIO Violation? Yes	No . PJO. STAINING A N. F-33-16S-31E *Significant Non-Compliance? No . PJO. STAINING A J-32-16S-31E	Action Due By: 10/4/2016 AROUND WELL HEA 30-015-33102-00-0 Corrective Action Due By: 10/4/2016	iTM161833322 D. 00 Inspection No. iTM161834027 D
Inspection Date 07/01/2016 Comments of NORTH SQ Inspection Date 07/01/2016 Comments of	Routine/Perio Violations General Housekon Inspection: UARE LAKE Type Inspectio Routine/Perio Violations General Housekon Inspection:	odic eeping (Rule 114) OK. All Equipn CONTAMINAT E UNIT No.187 n odic eeping (Rule 114) OK. All Equipn E UNIT No.202	Tony Morales ment and Location in TED MATERIAL O Inspector Tony Morales	Yes n Good Shape ON LOCATIO Violation? Yes	No PJO. STAINING A N. F-33-16S-31E *Significant Non-Compliance? No . PJO. STAINING A	Action Due By: 10/4/2016 AROUND WELL HEA 30-015-33102-00-0 Corrective Action Due By: 10/4/2016 AROUND WELL HEA 30-015-41824-00-0	iTM161833322 D. Inspection No. iTM161834027 D
Inspection Date 07/01/2016 Comments of NORTH SQ Inspection Date 07/01/2016 Comments of NORTH SQ Inspection	Routine/Perio Violations General Housekon Inspection: UARE LAKE Type Inspectio Routine/Perio Violations General Housekon Inspection: UARE LAKE Type Inspectio Routine/Perio Violations	odic eeping (Rule 114) OK. All Equipn CONTAMINAT E UNIT No.187 n odic eeping (Rule 114) OK. All Equipn E UNIT No.202 n odic	Tony Morales ment and Location in TED MATERIAL O Inspector Tony Morales	Yes n Good Shape <u>DN LOCATIO</u> Violation? Yes n Good Shape	No . PJO. STAINING A N. F-33-16S-31E *Significant Non-Compliance? No . PJO. STAINING A J-32-16S-31E *Significant	Action Due By: 10/4/2016 AROUND WELL HEA 30-015-33102-00-0 Corrective Action Due By: 10/4/2016 AROUND WELL HEA 30-015-41824-00-0 Corrective	iTM161833322 D. D. Inspection No. iTM161834027 D
Inspection Date 07/01/2016 Comments of NORTH SQ Inspection Date 07/01/2016 NORTH SQ Inspection Date 07/01/2016	Routine/Perio Violations General Housekon Inspection: UARE LAKE Type Inspectio Routine/Perio Violations General Housekon Inspection: UARE LAKE Type Inspectio Routine/Perio Violations	odic eeping (Rule 114) OK. All Equipn CONTAMINAT E UNIT No.187 n Odic eeping (Rule 114) OK. All Equipn E UNIT No.202 n Odic eeping (Rule 114)	Tony Morales ment and Location in TED MATERIAL O Inspector Tony Morales ment and Location in Inspector Tony Morales	Yes a Good Shape DN LOCATIO Violation? Yes a Good Shape Violation? Yes	No PJO. STAINING A N. F-33-16S-31E *Significant Non-Compliance? No PJO. STAINING A J-32-16S-31E *Significant Non-Compliance? No	Action Due By: 10/4/2016 AROUND WELL HEA 30-015-33102-00-0 Corrective Action Due By: 10/4/2016 AROUND WELL HEA 30-015-41824-00-0 Corrective Action Due By:	iTM161833322 D. 00 Inspection No. iTM161834027 D 00 Inspection No. iTM161833683

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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, Jen CO <u>)</u>07 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.