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	L SECTION		
NORTH SQ Inspection Date	UARE LAKE UNIT No.043 Type Inspection	Inspector	Violation?	H-29-16S-31E *Significant Non-Compliance?	30-015-04909-00-0 Corrective Action Due By:) Inspection No.
07/01/2016	Routine/Periodic Violations General Housekeeping (Rule 114)	Tony Morales	Yes	No	10/4/2016	iTM1618333992
Comments	on Inspection: OK. All Equipm FRESH OIL	nent and Location ir	n Good Shape	. PJO STAINING A	ROUND WELL HEAD	
NORTH SQ Inspection Date	UARE LAKE UNIT No.166 Type Inspection	Inspector	Violation?	M-33-16S-31E *Significant Non-Compliance?	30-015-04968-00-0 Corrective Action Due By:) Inspection No.
07/01/2016	Routine/Periodic Violations	Tony Morales	Yes	No	10/4/2016	iTM1618337746
Commonta	Absent Well Identification Signs (R on Inspection: OK. All Equipt	ule 103) nent and Location in	- C 1 Sh	DL LOCATION (

NORTH SQ Inspection	UARE LAKE	UNIT No.149			L-33-16S-31E *Significant	30-015-04969-00-0 Corrective	0
Date	Type Inspection	1	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
07/01/2016	Routine/Perio		Tony Morales	Yes	No	10/4/2016	iTM1618338139
C		itification Signs (Ri					
	on Inspection:		nent and Location in	Good Shape.	PJ LOCATION SIG		
NORTH SQ Inspection	UARE LAKE	UNIT No.135			B-33-16S-31E *Significant	30-015-04984-00-0 Corrective	0
Date	Type Inspection	n	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
07/01/2016	Routine/Peric		Tony Morales	Yes	No	10/4/2016	iTM1618341577
Comments		ntification Signs (R		C 1 Share		ON NOT VICIDI E. T.	A 1012
Comments	on Inspection:	BATTERIES O		i 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 Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/01/2016	Routine/Perio	dic	Tony Morales	Yes	No	10/4/2016	iTM1618342504
	Violations		-				
		ntification Signs (R	ule 103)			•	
C		eping (Rule 114)		a 181			
Comments	on Inspection:	LOCATION SI		CONTAMI		OUND WELL HEAD NEXT TO WELL HE	
NORTH SQ	UARE LAKE	UNIT No.106			B-32-16S-31E	30-015-25029-00-0	0
Inspection			Increation	Vieletion 9	*Significant	Corrective	Inspection No.
Date 07/01/2016	Type Inspection		Inspector Tony Morales	Violation?	Non-Compliance? No	Action Due By: 10/4/2016	iTM1618335688
07/01/2010	Routine/Peric Violations General Houseke	ceping (Rule 114)	Tony Morales	Yes	no	10/4/2016	111010333000
Comments of	on Inspection:		nent and Location ir EA APPROX, 10' X		. PJO. STAINING A	ROUND WELL HEA	D.
NORTH SQ	UARE LAKE	UNIT No.177			G-29-16S-31E	30-015-32907-00-0	0
Inspection Date	Type Inspectio	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
	Routine/Peric		Tony Morales	Yes	No	10/4/2016	iTM1618333226
	Violations						
		eping (Rule 114)					
Comments of	on Inspection:		nent and Location in			ROUND WELL HEA	D.
-	UARE LAKE	UNIT No.187			F-33-16S-31E	30-015-33102-00-0	00
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/01/2016	Routine/Perio Violations		Tony Morales	Yes	No	10/4/2016	iTM161834027
		ceping (Rule 114)					
Comments of	on Inspection:	OK. All Equipn	nent and Location in	n Good Shape	. PJO. STAINING A	ROUND WELL HEA	D
NORTH SQ Inspection	UARE LAKE	UNIT No.202			J-32-16S-31E *Significant	30-015-41824-00-0 Corrective	0
	Type Inspectio	n	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
Date	Routine/Perio	odic	Tony Morales	Yes	No	10/4/2016	iTM1618336838
-	Violations	=					
Date 07/01/2016	Violations	eeping (Rule 114)				AROUND WELL HEA	_

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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, Jod CO .)0 Artesia OCD District ffice

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.