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 DETAIL	SECTION		
BO FEDER Inspection Date	AL I	No.001 Inspector	Violation?	H-23-9S-25E *Significant Non-Compliance?	30-005-61042-00-6 Corrective Action Due By:	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). OPER	ATOR NAM	E (LEGACY) IS NO	T CORRECT	
PECOS RIV	VER FEDERAL Type Inspection	No.001 Inspector	Violation?	K-23-9S-25E *Significant Non-Compliance?	30-005-61237-00- Corrective Action Due By:	00 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 FEDERAL Inspection		No.002		P-12-9S-25E *Significant	30-005-61838-00-00 Corrective	
Date	Type Inspection	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
09/14/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/18/2016	iGC1625846213
Comments	on Inspection: Well Sig	gn (Rule 19.15.16.8). OPER.	ATOR NAM	E (LEGACY) IS NO	T CORRECT	

TOLMAC STATE No.003 G-36-9S-25E 30-005-61926-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 09/14/2016 iGC1625834478 Routine/Periodic Gilbert Cordero Yes No 12/18/2016 Comments on Inspection: Well Sign (Rule 19.15.16.8). SIGN IS NOT LEGIBLE PJ FEDERAL COM No.002 B-13-9S-25E 30-005-62047-00-00 Inspection *Significant Corrective Inspection No. Date Type Inspection Inspector Violation? Non-Compliance? Action Due By: 09/14/2016 Routine/Periodic Gilbert Cordero iGC1625846388 Yes No 12/18/2016 **Comments on Inspection:** Well Sign (Rule 19.15.16.8). OPERATOR NAME (LEGACY) IS NOT CORRECT TOLMAC STATE No.004 F-36-9S-25E 30-005-62209-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date **Action Due By:** Non-Compliance? 09/14/2016 Routine/Periodic 12/18/2016 iGC1625834635 Gilbert Cordero Yes No Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR NAME (LEGACY) IS NOT CORRECT RICK FEDERAL COM No.001 H-26-9S-25E 30-005-62215-00-00 Inspection *Significant Corrective Inspection No. Type Inspection Violation? Inspector Date Non-Compliance? Action Due By: 09/14/2016 Routine/Periodic Gilbert Cordero Yes No 12/18/2016 iGC1625838031 Well Sign (Rule 19.15.16.8). OPERATOR NAME (LEGACY) IS NOT CORRECT Comments on Inspection: O-25-9S-25E MM FEDERAL No.004 30-005-62449-00-00 Inspection *Significant Corrective Inspection No. Type Inspection Inspector Violation? Date Non-Compliance? Action Due By: 09/14/2016 Yes No 12/18/2016 iGC1625833995 Routine/Periodic Gilbert Cordero Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR NAME (LEGACY) IS NOT CORRECT E-25-9S-25E 30-005-62450-00-00 **MM FEDERAL** No.005 *Significant Corrective Inspection Inspection No. Type Inspection Inspector Violation? Date Non-Compliance? Action Due By: iGC1625838199 09/14/2016 Routine/Periodic Gilbert Cordero Yes 12/18/2016 **Comments on Inspection:** Well Sign (Rule 19.15.16.8). OPERATOR NAME (LEGACY) IS NOT CORRECT MM FEDERAL No.006 I-26-9S-25E 30-005-62451-00-00 *Significant Corrective Inspection Inspection No. Violation? Type Inspection Inspector Date Non-Compliance? Action Due By: iGC1625837841 09/14/2016 Routine/Periodic Gilbert Cordero Yes No 12/18/2016 Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR NAME (LEGACY) IS NOT CORRECT **MM FEDERAL** No.007 K-25-9S-25E 30-005-62493-00-00 *Significant Inspection Corrective Inspection No. Violation? Date Type Inspection Inspector Non-Compliance? Action Due By: iGC1625836561 09/14/2016 Routine/Periodic Gilbert Cordero Yes No 12/18/2016 **Comments on Inspection:** Well Sign (Rule 19.15.16.8). OPERATOR NAME (LEGACY) IS NOT CORRECT G-25-9S-25E 30-005-62494-00-00 **MM FEDERAL** No.008 *Significant Corrective Inspection Type Inspection Inspector Violation? Inspection No. Action Due By: Date Non-Compliance? 12/18/2016 iGC1625837247 09/14/2016 Yes No Routine/Periodic Gilbert Cordero

Well Sign (Rule 19.15.16.8). OPERATOR NAME (LEGACY) IS NOT CORRECT

Comments on Inspection:

RICK FEDERAL No.002 P-23-9S-25E 30-005-62533-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 09/14/2016 Routine/Periodic iGC1625838566 Gilbert Cordero Yes No 12/18/2016 Comments on Inspection: Well Sign (Rule 19.15.16.8), OPERATOR NAME (LEGACY) IS NOT CORRECT JILL FEDERAL No.001 K-24-9S-25E 30-005-62640-00-00 Inspection *Significant Corrective Date Type Inspection Inspector Violation? Action Due By: Inspection No. Non-Compliance? 09/14/2016 Routine/Periodic iGC1625838730 Gilbert Cordero Yes No 12/18/2016 Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR NAME (LEGACY) IS NOT CORRECT MM FEDERAL COM A-35-9S-25E No.010 30-005-62676-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 09/14/2016 Routine/Periodic Gilbert Cordero 12/18/2016 iGC1625835603 Yes No Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR NAME (LEGACY) IS NOT CORRECT **TOLMACK STATE No.005** A-36-9S-25E 30-005-63195-00-00 Inspection *Significant Corrective Inspection No. Type Inspection Inspector Violation? Date Non-Compliance? Action Due By: 09/14/2016 Routine/Periodic Gilbert Cordero Yes No 12/18/2016 iGC1625833626 Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR NAME (LEGACY) IS NOT CORRECT C-25-9S-25E 30-005-63199-00-00 MM FEDERAL No.011 *Significant Corrective Inspection Violation? Inspection No. Type Inspection Inspector Non-Compliance? Date Action Due By: 09/14/2016 Routine/Periodic Gilbert Cordero Yes No 12/18/2016 iGC1625837427 Comments on Inspection: Well Sign (Rule 19.15.16.8), OPERATOR NAME (LEGACY) IS NOT CORRECT L-36-9S-25E 30-005-63566-00-00 TOLMACK STATE No.006 Corrective *Significant Inspection Inspection No. Type Inspection Inspector Violation? Date Non-Compliance? Action Due By: iGC1625832949 Gilbert Cordero 12/18/2016 09/14/2016 Routine/Periodic Yes No Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR NAME (LEGACY) IS NOT CORRECT MM 25 FEDERAL No.012 M-25-9S-25E 30-005-63712-00-00 Inspection *Significant Corrective Inspection No. Violation? Type Inspection Inspector Date Non-Compliance? Action Due By: iGC1625835155 09/14/2016 Routine/Periodic Gilbert Cordero Yes No 12/18/2016

Well Sign (Rule 19.15.16.8). OPERATOR NAME (LEGACY) IS NOT CORRECT

Comments on Inspection:

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

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.