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 DETAII	L SECTION		
BO FEDER Inspection Date	AL N Type Inspection	No.001 Inspector	Violation?	H-23-9S-25E *Significant Non-Compliance?	30-005-61042-00-0 Corrective Action Due By:) Inspection No.
09/14/2016	Routine/Periodic	Gilbert Cordero	Yes	No	12/18/2016	iGC1625845415
Comments o	on Inspection: Well Sig	gn (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:	D 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	TCORRECT	
LEEMAN F Inspection Date	FEDERAL Type Inspection	No.002 Inspector	Violation?	P-12-9S-25E *Significant	30-005-61838-00-0 Corrective Action Due By:) Inspection No.
09/14/2016	Routine/Periodic	Gilbert Cordero	Yes	Non-Compliance? No	•	iGC1625846213
						1001023040213
	on Inspection: Well Sig	gn (Rule 19.15.16.8). OPER.	STOK NAM	E (LEGACI) IS NO		

TOLMAC S Inspection Date	TATE Type Inspection	No.00)3 Inspector	Violation?	G-36-9S-25E *Significant	30-005-61926-00-0 Corrective	0 Inspection No.
09/14/2016	Routine/Periodic		Gilbert Cordero	Yes	Non-Compliance? No	Action Due By: 12/18/2016	iGC1625834478
		ll Sign (Rule	19.15.16.8). SIGN I			12/10/2010	1001023034470
					:		
PJ FEDERA	L COM	No.0	02		B-13-9S-25E	30-005-62047-00-0	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	iGC1625846388
Comments o	n Inspection: Wel	ll Sign (Rule	19.15.16.8). OPER/	ATOR NAM	E (LEGACY) IS NOT		
TOLMAC S	татр	No.00	м		F-36-9S-25E	30-005-62209-00-0	0
I OLIVIAC S		110.00) -		*Significant	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	iGC1625834635
Comments o	n Inspection: Wel	l Sign (Rule	19.15.16.8). OPERA	ATOR NAM	E (LEGACY) IS NOT	Г CORRECT	
RICK FEDE	ERAL COM	No	001		H-26-9S-25E	30-005-62215-00-0	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	iGC1625838031
		ll Sign (Rule		- • •	E (LEGACY) IS NOT		
			· · · · · · · · · · · · · · · · · · ·				
MM FEDER	RAL	No.004	l		0-25-9S-25E	30-005-62449-00-0	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	iGC1625833995
Comments o	n Inspection: Wel	ll Sign (Rule	19.15.16.8). OPER/	ATOR NAM	E (LEGACY) IS NO		
MM FEDER	PAT.	No.005	,		E-25-9S-25E	30-005-62450-00-0	10
Inspection		110.000			*Significant	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	iGC1625838199
Comments o	n Inspection: We	ll Sign (Rule	19.15.16.8). OPER/	ATOR NAM	E (LEGACY) IS NO	T CORRECT	
		N. 004					0
мм гелен	RAL	No.006)		I-26-9S-25E	30-005-62451-00-0	JU
Inspection		N0.006		Violetia=9	*Significant	Corrective	
Inspection Date	Type Inspection	No.000	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
Inspection Date 09/14/2016	Type Inspection Routine/Periodic		Inspector Gilbert Cordero	Yes	*Significant Non-Compliance? No	Corrective Action Due By: 12/18/2016	Inspection No.
Inspection Date 09/14/2016	Type Inspection Routine/Periodic		Inspector Gilbert Cordero	Yes	*Significant Non-Compliance?	Corrective Action Due By: 12/18/2016	Inspection No.
Inspection Date 09/14/2016 Comments o MM FEDEH	Type Inspection Routine/Periodic on Inspection: We		Inspector Gilbert Cordero 19.15.16.8). OPERA	Yes	*Significant Non-Compliance? No IE (LEGACY) IS NO K-25-9S-25E	Corrective Action Due By: 12/18/2016 T CORRECT 30-005-62493-00-0	Inspection No. iGC1625837841
Inspection Date 09/14/2016 Comments o	Type Inspection Routine/Periodic on Inspection: We	ll Sign (Rule	Inspector Gilbert Cordero 19.15.16.8). OPERA	Yes	*Significant Non-Compliance? No IE (LEGACY) IS NO	Corrective Action Due By: 12/18/2016 T CORRECT	Inspection No. iGC1625837841
Date 09/14/2016 Comments o MM FEDEH Inspection	Type Inspection Routine/Periodic on Inspection: Wei RAL	ll Sign (Rule	Inspector Gilbert Cordero 19.15.16.8). OPERA	Yes ATOR NAM	*Significant Non-Compliance? No E (LEGACY) IS NO K-25-9S-25E *Significant	Corrective Action Due By: 12/18/2016 T CORRECT 30-005-62493-00-(Corrective	Inspection No. iGC1625837841
Inspection Date 09/14/2016 Comments of MM FEDER Inspection Date 09/14/2016	Type Inspection Routine/Periodic In Inspection: Well RAL Type Inspection Routine/Periodic	ll Sign (Rule No.007	Inspector Gilbert Cordero 19.15.16.8). OPERA Inspector Gilbert Cordero	Yes ATOR NAM Violation? Yes	*Significant Non-Compliance? No E (LEGACY) IS NO K-25-9S-25E *Significant Non-Compliance?	Corrective Action Due By: 12/18/2016 T CORRECT 30-005-62493-00-(Corrective Action Due By: 12/18/2016	Inspection No. iGC1625837841)0 Inspection No.
Inspection Date 09/14/2016 Comments of MM FEDEL Inspection Date 09/14/2016 Comments of	Type Inspection Routine/Periodic on Inspection: We RAL Type Inspection Routine/Periodic on Inspection: We	li Sign (Rule No.007 Il Sign (Rule	Inspector Gilbert Cordero 19.15.16.8). OPERA Inspector Gilbert Cordero 19.15.16.8). OPERA	Yes ATOR NAM Violation? Yes	*Significant Non-Compliance? No IE (LEGACY) IS NO K-25-9S-25E *Significant Non-Compliance? No IE (LEGACY) IS NO	Corrective Action Due By: 12/18/2016 T CORRECT 30-005-62493-00-0 Corrective Action Due By: 12/18/2016 T CORRECT	Inspection No. iGC1625837841 00 Inspection No. iGC1625836561
Inspection Date 09/14/2016 Comments of MM FEDEL Inspection Date 09/14/2016 Comments of	Type Inspection Routine/Periodic on Inspection: We RAL Type Inspection Routine/Periodic on Inspection: We RAL	ll Sign (Rule No.007	Inspector Gilbert Cordero 19.15.16.8). OPERA Inspector Gilbert Cordero 19.15.16.8). OPERA	Yes ATOR NAM Violation? Yes ATOR NAM	*Significant Non-Compliance? No E (LEGACY) IS NO K-25-9S-25E *Significant Non-Compliance? No	Corrective Action Due By: 12/18/2016 T CORRECT 30-005-62493-00-(Corrective Action Due By: 12/18/2016	Inspection No. iGC1625837841 00 Inspection No. iGC1625836561
Inspection Date 09/14/2016 Comments of MM FEDER Inspection Date 09/14/2016 Comments of MM FEDER Inspection Date	Type Inspection Routine/Periodic on Inspection: Well RAL Type Inspection Routine/Periodic on Inspection: Well RAL Type Inspection	li Sign (Rule No.007 Il Sign (Rule	Inspector Gilbert Cordero 19.15.16.8). OPERA Inspector Gilbert Cordero 19.15.16.8). OPERA Inspector	Yes ATOR NAM Violation? Yes ATOR NAM Violation?	*Significant Non-Compliance? No IE (LEGACY) IS NO K-25-9S-25E *Significant Non-Compliance? No IE (LEGACY) IS NO G-25-9S-25E *Significant Non-Compliance?	Corrective Action Due By: 12/18/2016 T CORRECT 30-005-62493-00-(Corrective Action Due By: 12/18/2016 T CORRECT 30-005-62494-00-(Corrective Action Due By:	Inspection No. iGC1625837841 00 Inspection No. iGC1625836561 00 Inspection No.
Inspection Date 09/14/2016 Comments of MM FEDER Inspection Date 09/14/2016 Comments of MM FEDER Inspection	Type Inspection Routine/Periodic on Inspection: We RAL Type Inspection Routine/Periodic on Inspection: We RAL	li Sign (Rule No.007 Il Sign (Rule	Inspector Gilbert Cordero 19.15.16.8). OPERA Inspector Gilbert Cordero 19.15.16.8). OPERA	Yes ATOR NAM Violation? Yes ATOR NAM	*Significant Non-Compliance? No IE (LEGACY) IS NO K-25-9S-25E *Significant Non-Compliance? No IE (LEGACY) IS NO G-25-9S-25E *Significant	Corrective Action Due By: 12/18/2016 T CORRECT 30-005-62493-00-(Corrective Action Due By: 12/18/2016 T CORRECT 30-005-62494-00-(Corrective	Inspection No. iGC1625837841 00 Inspection No. iGC1625836561

Inspection Date	ERAL Type Inspection	No.00	2 Inspector	Violation?	P-23-9S-25E *Significant Non-Compliance?	30-005-62533-00-0 Corrective Action Due By:) Inspection No.
09/14/2016	Routine/Perio	odic	Gilbert Cordero	Yes	No	•	iGC1625838566
Comments	on Inspection:	Well Sign (Rule	19.15.16.8). OPERA	ATOR NAM	E (LEGACY) IS NOT	Г CORRECT	
JILL FEDE Inspection	RAL	No.001			K-24-9S-25E *Significant	30-005-62640-00-0 Corrective	0
Date	Type Inspection	a	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
09/14/2016	Routine/Perio	dic	Gilbert Cordero	Yes	No	12/18/2016	iGC1625838730
Comments	on Inspection:	Well Sign (Rule	19.15.16.8). OPERA	ATOR NAM	E (LEGACY) IS NOT	Г CORRECT	
MM FEDE	RAL COM	No	.010		A-35-9S-25E	30-005-62676-00-0	0
Inspection Date	Type Inspection	o	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
09/14/2016	Routine/Perio		Gilbert Cordero	Yes	No	•	iGC1625835603
	on Inspection:				E (LEGACY) IS NOT		100102000000
	•						
TOLMAC	K STATE No.0	05			A-36-9S-25E	30-005-63195-00-0	0
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
09/14/2016	Routine/Perio	odic	Gilbert Cordero	Yes	No	· · ·	iGC1625833626
Comments	on Inspection:	Well Sign (Rule	19.15.16.8). OPERA	ATOR NAM	E (LEGACY) IS NOT		
MM FFDF	RAL No.011				C-25-9S-25E	30-005-63199-00-0	n
Inspection Date	Type Inspection	_	Inspector	Violation?	*Significant	Corrective	
Date	1 ype Inspection	2			Non-Compliance?	Action Due By:	Inspection No.
	Routine/Perio		Gilbert Cordero	Yes	Non-Compliance? No	-	-
09/14/2016		odic	Gilbert Cordero	Yes	-	12/18/2016	-
09/14/2016 Comments	Routine/Perio	odic Well Sign (Rule	Gilbert Cordero	Yes	No	12/18/2016	iGC1625837427
09/14/2016 Comments	Routine/Perio on Inspection:	odic Well Sign (Rule 06	Gilbert Cordero	Yes	No IE (LEGACY) IS NOT	12/18/2016 T CORRECT	iGC1625837427
09/14/2016 Comments TOLMACE Inspection Date	Routine/Perio on Inspection: K STATE No.0	odic Well Sign (Rule 06 n	Gilbert Cordero 19.15.16.8). OPER/	Yes ATOR NAM	No IE (LEGACY) IS NOT L-36-9S-25E *Significant	12/18/2016 T CORRECT 30-005-63566-00-0 Corrective Action Due By:	iGC1625837427 0 Inspection No.
09/14/2016 Comments TOLMACH Inspection Date 09/14/2016	Routine/Perio on Inspection: K STATE No.0 Type Inspection	odic Well Sign (Rule 06 n odic	Gilbert Cordero 19.15.16.8). OPER/ Inspector Gilbert Cordero	Yes ATOR NAM Violation? Yes	No E (LEGACY) IS NOT L-36-9S-25E *Significant Non-Compliance?	12/18/2016 T CORRECT 30-005-63566-00-0 Corrective Action Due By: 12/18/2016	iGC1625837427
09/14/2016 Comments TOLMACH Inspection Date 09/14/2016 Comments	Routine/Perio on Inspection: K STATE No.0 Type Inspection Routine/Perio	odic Well Sign (Rule 06 n odic Well Sign (Rule	Gilbert Cordero 19.15.16.8). OPER/ Inspector Gilbert Cordero	Yes ATOR NAM Violation? Yes	No IE (LEGACY) IS NOT L-36-9S-25E *Significant Non-Compliance? No	12/18/2016 T CORRECT 30-005-63566-00-0 Corrective Action Due By: 12/18/2016	iGC1625837427 0 Inspection No. iGC1625832949
09/14/2016 Comments TOLMACH Inspection Date 09/14/2016 Comments MM 25 FEI Inspection	Routine/Perio on Inspection: X STATE No.0 Type Inspection Routine/Perio on Inspection: DERAL No.012	odic Well Sign (Rule 06 n odic Well Sign (Rule 2	Gilbert Cordero 19.15.16.8). OPER/ Inspector Gilbert Cordero 19.15.16.8). OPER/	Yes ATOR NAM Violation? Yes ATOR NAM	No IE (LEGACY) IS NOT L-36-9S-25E *Significant Non-Compliance? No IE (LEGACY) IS NOT M-25-9S-25E *Significant	12/18/2016 T CORRECT 30-005-63566-00-0 Corrective Action Due By: 12/18/2016 T CORRECT 30-005-63712-00-0 Corrective	iGC1625837427 0 Inspection No. iGC1625832949 0
09/14/2016 Comments TOLMACH Inspection Date 09/14/2016 Comments MM 25 FE	Routine/Perio on Inspection: STATE No.0 Type Inspection Routine/Perio on Inspection:	odic Well Sign (Rule 06 n odic Well Sign (Rule 2 n	Gilbert Cordero 19.15.16.8). OPER/ Inspector Gilbert Cordero	Yes ATOR NAM Violation? Yes	No IE (LEGACY) IS NOT L-36-9S-25E *Significant Non-Compliance? No IE (LEGACY) IS NOT M-25-9S-25E	12/18/2016 T CORRECT 30-005-63566-00-0 Corrective Action Due By: 12/18/2016 T CORRECT 30-005-63712-00-0	iGC1625837427 0 Inspection No. iGC1625832949

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,

Vilbert Cordero 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.