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	L SECTION		
BO FEDERAL Inspection Date Type Inspection		No.001 Inspector Violation?		H-23-9S-25E *Significant Non-Compliance?	30-005-61042-00- 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). OPERA	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:	OO 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 G-36-9S-25E No.003 30-005-61926-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 12/18/2016 09/14/2016 Routine/Periodic Gilbert Cordero Yes iGC1625834478 No 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 Type Inspection Inspector Violation? Inspection No. Date 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 Non-Compliance? Action Due By: 09/14/2016 Routine/Periodic Gilbert Cordero Yes Nο 12/18/2016 iGC1625834635 **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 Inspector Violation? Date Non-Compliance? **Action Due By:** iGC1625838031 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 O-25-9S-25E MM FEDERAL No.004 30-005-62449-00-00 Inspection *Significant Corrective Type Inspection Violation? Inspection No. Inspector Date Non-Compliance? Action Due By: 09/14/2016 Routine/Periodic Gilbert Cordero Yes No 12/18/2016 iGC1625833995 **Comments on Inspection:** Well Sign (Rule 19.15.16.8). OPERATOR NAME (LEGACY) IS NOT CORRECT No.005 E-25-9S-25E 30-005-62450-00-00 **MM FEDERAL** *Significant Corrective Inspection Inspection No. Type Inspection Inspector Violation? Date Non-Compliance? Action Due By: Yes iGC1625838199 09/14/2016 Routine/Periodic Gilbert Cordero No 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 Inspection *Significant Corrective Inspection No. Type Inspection Violation? Inspector Date Non-Compliance? Action Due By: iGC1625837841 Routine/Periodic Yes 12/18/2016 09/14/2016 Gilbert Cordero No **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 Corrective Inspection *Significant Inspection No. Violation? Type Inspection Inspector Date 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 **MM FEDERAL** No.008 30-005-62494-00-00 *Significant Inspection Corrective Inspection No. Type Inspection Inspector Violation? Non-Compliance? Date Action Due By:

Gilbert Cordero

Yes

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

No

09/14/2016

Comments on Inspection:

Routine/Periodic

iGC1625837247

12/18/2016

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 Type Inspection Violation? Inspection No. Date Inspector Action Due By: Non-Compliance? 09/14/2016 Routine/Periodic Gilbert Cordero iGC1625838730 Yes No 12/18/2016 Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR NAME (LEGACY) IS NOT CORRECT MM FEDERAL COM No.010 A-35-9S-25E 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 Yes No 12/18/2016 iGC1625835603 Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR NAME (LEGACY) IS NOT CORRECT A-36-9S-25E TOLMACK STATE No.005 30-005-63195-00-00 Inspection *Significant Corrective Inspection No. Type Inspection Inspector Violation? Date Non-Compliance? Action Due By: iGC1625833626 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 C-25-9S-25E 30-005-63199-00-00 MM FEDERAL No.011 *Significant Corrective Inspection **Type Inspection** Violation? Inspection No. Inspector Date Non-Compliance? 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 *Significant Corrective Inspection Inspection No. Type Inspection Inspector Violation? Date Non-Compliance? Action Due By: 09/14/2016 Gilbert Cordero Yes No 12/18/2016 iGC1625832949 Routine/Periodic Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR NAME (LEGACY) IS NOT CORRECT M-25-9S-25E MM 25 FEDERAL No.012 30-005-63712-00-00 *Significant Corrective Inspection

Violation? Type Inspection Inspector Date Non-Compliance? Yes No 09/14/2016 Routine/Periodic Gilbert Cordero

Action Due By: 12/18/2016

Inspection No. iGC1625835155

Comments on Inspection: Well Sign (Rule 19.15.16.8). OPERATOR NAME (LEGACY) IS NOT CORRECT 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.