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"

07-Oct-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 Qil 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 DEȚĂII	L SECTION		
CHAVES A Inspection Date	FEDERAL No.001 Type Inspection	Inspector	Violațion?	B-21-7S-26E *Significant Non-Compliance?	30-005-61505-00-00 Corrective Action Due By:) Inspection No.
10/07/2016	Routine/Periodic	Gilbert Cordero	Yes	No	1/10/2017	iGC1628136213
Comments o	on Inspection: Well Sign (Rule	19.15.16.8). OPER	ATOR (LEG	ACY) IS NOT CORF	RECT	
CHAVES A Inspection Date	FEDERAL No.003 Type Inspection	Inspector	Violation?	D-21-7S-26E *Significant Non-Compliance?	30-005-61506-00-00 Corrective Action Due By:) Inspection No.
10/07/2016	Routine/Periodic	Gilbert Cordero	Yes	No	1/10/2017	iGC1628137128
Comments of	on Inspection: Well Sign (Rule	19.15.16.8). OPER	•	ACY) IS NOT CORF	RECT	
CHAVES A Inspection Date	FEDERAL No.002 Type Inspection	Įnspęctor	Viclation?	P-17-7S-26E *Significant Non-Compliance?	30-005-61512-00-00 Corrective Action Due By:) Inspection No.
10/07/2016	Routine/Periodic	Gilbert Cordero	Yes	Nρ	1/10/2017	iGC1628137458
~ •	on Inspection: Well Sign (Rule	19.15.16.8). OPER	1 281	ACY) IS NOT CORI	FCT	

CHAVES A Inspection Date	FEDERAL No.004 Type Inspection	Inspector	Violation?	C-21-7S-26E *Significant Non-Compliance?	30-005-63177-00-0 Corrective Action Due By:	D Ínspection No.
10/07/2016	Routine/Periodic	Gilbert Cordero	Yes	No	1/10/2017	iGC1628136657
Comments o	n Inspection: Well Sign (Rule	19.15.16.8). OPERA	ATOR (LEG	IĄCY) IS NOT CORI	RECT	
CHAVES A Inspection Date	FEDERAL No.006 Type Inspection	Inspector	Violation?	G-21-7S-26E *Significant Non-Compliance?	30-005-63571-00-0 Corrective Action Due By:	0 Inspection No.
10/07/2016	Routine/Periodic	Gilbert Cordero	Yes	No	1/10/2017	iGC1628136434
Comments o	n Inspection: Well Sign (Rule	19.15.16.8). OPERA	ATOR (LEG	IACY) IS NOT CORI	RECT	
CHAVES A Inspection Date	17 FEDERAL COM No.005 Type Inspection	Inspector	Violation?	J-17-7S-26E *Significant Non-Compliance?	30-005-63606-00-0 Corrective Action Due By:	0 Inspection No.
10/07/2016	Routine/Periodic	Gilbert Cordero	Yes	Ňβ	1/10/2017	iGC1628137731
Comments o	n Inspection: Well Sign (Rule	19.15.16.8). OPERA	· . ·	ACY) IS NOT CORI	RECT	

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,

Gilbert 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.