State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Tony Delfin

Acting Cabinet Secretary

David R. Catanach, Division Director

Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

17-Feb-17

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.

		INSPECTIO	N DETAIL	SECTION		
AZTEC FEDERAL No.003 Inspection Date Type Inspection		Inspector	Violation?	H-15-17S-28E *Significant Non-Compliance?	30-015-01376-00-0 Corrective Action Due By:	00 Inspection No.
02/17/2017	Routine/Period Violations Surface Leaks/Spi	,	Yes	No	5/23/2017	iTM1704848481
Comments	on Inspection:	OK. All Equipment and Location in FRESH OIL	n Good Shape	PJ STAINING AR	OUND WELL HEAD	
FEDERAL No.001 Inspection Date Type Inspection		Inspector	Violation?	J-15-17S-28E *Significant Non-Compliance?	30-015-01377-00-0 Corrective Action Due By:	00 Inspection No.
02/17/2017	Routine/Period Violations General Housekee	,	Yes	No	5/23/2017	iTM1704848106
•		OK. All Equipment and Location i DEBRIS NEXT TO WELL HEAD	•	. PJO CONTAMIN	ATED MATERIAL -	

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,

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.