State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary

Matthias Sayer

Deputy Cabinet Secretary

David CatanachDivision Director



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

10-Oct-17

LLJ VENTURES, LLC DBA MARKER OIL & GAS

P.O. BOX 3188

ROSWELL NM 88202

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.

CAROLINI Inspection Date	No.004 Type Inspection	π	Inspector	Violation?	E-28-19S-28E *Significant Non-Compliance?	30-015-02307-00-0 Corrective Action Due By:	00 Inspection No.
10/10/2017 Routine/Per Violations		odic	Tony Morales	Yes	No	1/13/2018	iTM1728338610
	General Housek	eeping (Rule 11	4)				
		WELLHEAD BERM NO I	ipment and Location in D. TANK BATTERY I PLACARD / WINDSO ANK ON LOCATION	NO SECOND CK STAINII	OARY IMPERMEABI NG TANK BATTERY	LE CONTAINMENT 'AREA OLD GUN	
Inspection Date	J No.002 Type Inspection	n	Inspector	Violation?	G-29-19S-28E *Significant Non-Compliance?	30-015-02316-00- Corrective Action Due By:	00 Inspection No.
10/10/2017	Routine/Peri	odic	Tony Morales	Yes	No	1/13/2018	iTM1728337109
10/10/2017	Violations General Housek	eeping (Rule 11	4)				

INSPECTION DETAIL SECTION

MARY LOU No.004

H-29-19S-28E

30-015-02318-00-00

Inspection Date 10/10/2017

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

Routine/Periodic

Tony Morales

Yes

No

1/13/2018

iTM1728336368

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape.

AROUND WELL HEAD 19.15.10.8

PJ. NO FAN BELT STAINING

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.