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"

22-Nov-17

LLJ VENTURES, LLC DBA MARKER OIL & GAS

P O BOX 3188

ROSWELL NM 88202

RUSSELL USA No.016

LETTER OF VIOLATION - Inspection

30-015-02364-00-00

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 DETAIL SECTION

B-13-20S-28E

Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
11/22/2017	1/22/2017 Routine/Periodic		Tony Morales	Yes	No	2/25/2018	iTM1732641115
	Violations						
	General Housekeeping (Rule 114)						
Comments on Inspection: OK. All Equip 19.15.10.8			pment and Location in	Good Shape.	PJ. STAINING AROUND WELL HEAD		
RUSSELL U	USA No.038				F-13-20S-28E	30-015-02387-00-	00
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
11/22/2017	Routine/Peri	odic	Tony Morales	Yes	No	2/25/2018	iTM1732634402
	Violations						
	General Housek	eeping (Rule 114)				
			l Equipment and Location in Good Shape. PJ POWER OFF. STAINING AROUND HEAD 19.15.10.8				

RUSSELL USA No.042

K-13-20S-28E

30-015-02391-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance? No Corrective Action Due By:

Inspection No.

11/22/2017 Routine/Periodic

Tony Morales

Yes

2/25/2018

iTM1732634823

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All quipment and Location in Good Shape.

PJ POWER OFF. STAINING AROUND

TANK BATTERY AREA DEBRIS ON TANK BATTERY AREA 19.15.10.8

RUSSELL USA No.069

Type Inspection Inspector

,

C-13-20S-28E **30-015-26491-00-00**

*Significant Co

Corrective
Action Due By:

Inspection No.

Date Type Inspection
11/22/2017 Routine/Periodic

Inspection

Tony Morales

Violation? Yes Non-Compliance?

2/25/2018

iTM1732635460

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape.

PJ. STAINING AROUND WELL HEAD

19.15.10.8

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 OGD 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.