

State Of New Mexico

Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor
Sarah Cottrell Propst
Cabinet Secretary
Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Adrienne Sandoval
Division Director



"Response Required - Deadline Enclosed"

Field Inspection Program
"Preserving the Integrity of Our Environment"

09-Aug-19

ROVER OPERATING, LLC
17304 Preston Road
Suite 300
Dallas, TX 75252

LETTER OF VIOLATION - Field Inspection

Dear Operator:

The following inspection indicates that the well, equipment, location or operational status of the well 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 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

[30-025-24344] SFPRR #015

OGRID: 371484

B-34-09S-37E 800 FNL 2121 FEL

Inspection Date	Type Inspection	Inspector	Corrective Action Due By	Inspection No.
8/8/2019	Routine Inspection	[GR] Gary Robinson	11/6/2019	iGR1922143388

Violations:

Rule	Violation
19.15.26 Injection Comment: OPERATOR CONCEDED FAILURE, WELL HAS NOT BEEN REPAIRED.	Detection of Deficient Mechanical Integrity
19.15 Oil and Gas Comment: Auto Generated Violation - MIT Failure exits.	Mechanical Integrity Failure Recorded

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 Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,

Hobbs OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

Oil Conservation Division * 1625 N. French Drive * Hobbs, NM 88240
Phone: 575-393-6161 * Fax: 575-393-0720 * www.emnrd.state.nm.us

State Of New Mexico

Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor
Sarah Cottrell Propst
Cabinet Secretary
Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Adrienne Sandoval
Division Director



"Response Required - Deadline Enclosed"

*Field Inspection Program
"Preserving the Integrity of Our Environment"*

09-Aug-19

ROVER OPERATING, LLC
17304 Preston Road
Suite 300
Dallas, TX 75252

LETTER OF VIOLATION - Field Inspection

Dear Operator:

The following inspection indicates that the well, equipment, location or operational status of the well 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 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

[30-025-23518] SFPRR #003

OGRID: 371484

P-28-09S-37E 660 FSL 660 FEL

Inspection Date 8/8/2019	Type Inspection Routine Inspection	Inspector [GR] Gary Robinson	Corrective Action Due By 11/6/2019	Inspection No. iGR1922142940
------------------------------------	--	--	--	--

Violations:

<p>Rule 19.15.26 Injection</p> <p>Comment: OPERATOR CONCEEDED FAILURE, WELL HAS NOT BEEN REPAIRED.</p> <p>19.15 Oil and Gas</p> <p>Comment: Auto Generated Violation - MIT Failure exits.</p>	<p>Violation Detection of Deficient Mechanical Integrity</p> <p>Mechanical Integrity Failure Recorded</p>
--	--

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 Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,

Hobbs OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

Oil Conservation Division * 1625 N. French Drive * Hobbs, NM 88240
Phone: 575-393-6161 * Fax: 575-393-0720 * www.emnrd.state.nm.us

State Of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor
Sarah Cottrell Propst
Cabinet Secretary
Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Adrienne Sandoval
Division Director



"Response Required - Deadline Enclosed"

*Field Inspection Program
"Preserving the Integrity of Our Environment"*

09-Aug-19

ROVER OPERATING, LLC
17304 Preston Road
Suite 300
Dallas, TX 75252

LETTER OF VIOLATION - Field Inspection

Dear Operator:

The following inspection indicates that the well, equipment, location or operational status of the well 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 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

[30-025-00517] MALMAR UNIT #315

OGRID: 371484

O-12-17S-32E 660 FSL 1980 FEL

Inspection Date 8/8/2019	Type Inspection Routine Inspection	Inspector [GR] Gary Robinson	Corrective Action Due By 11/6/2019	Inspection No. iGR1922033413
------------------------------------	--	--	--	--

Violations:

Rule

19.15.26 Injection

Comment:

UIC/MIT FAILED, RULE: 19.15.26.11, CAL DATE 8-1-2019, SER# 8519, 1000#, MADE 2 ATEMPS, SECOND CHART 400# to 300# in 15 MIN, CHART IS IN WELL FILE.

19.15 Oil and Gas

Comment:

Auto Generated Violation - MIT Failure exits.

Violation

Detection of Deficient Mechanical Integrity

Mechanical Integrity Failure Recorded

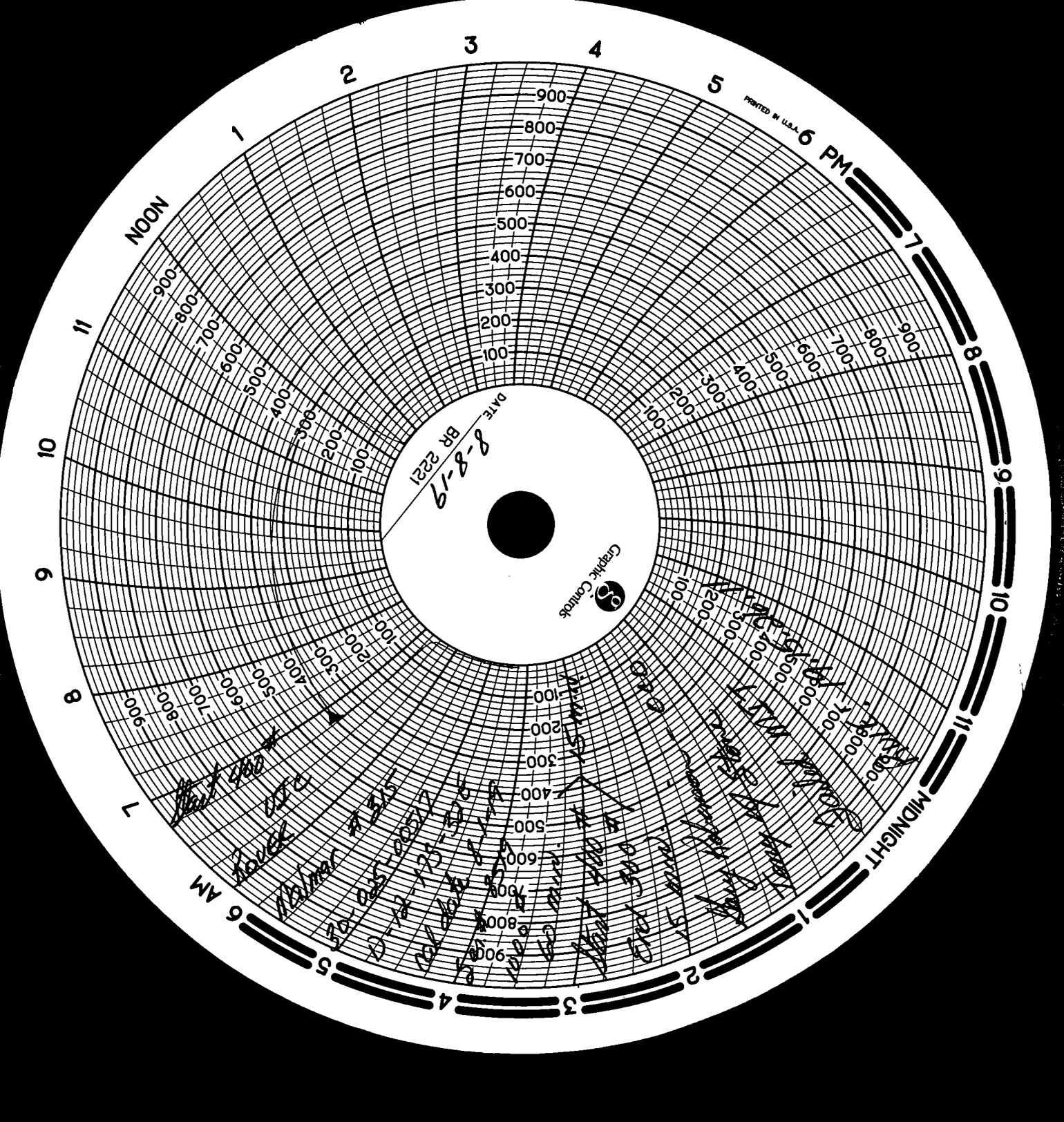
In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By;" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,

Hobbs OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

Oil Conservation Division * 1625 N. French Drive * Hobbs, NM 88240
Phone: 575-393-6161 * Fax: 575-393-0720 * www.emnrd.state.nm.us



PRINTED IN U.S.A.

DATE 8-8-19
BR 2227

Graphic Controls

NOON

6 PM

MIDNIGHT

6 AM

10

6

8

7

1

2

3

4

5

7

8

9

10

11

4

3

2

1

900

800

700

600

500

400

300

200

100

900

800

700

600

500

400

300

200

100

900

800

700

600

500

400

300

200

100

900

800

700

600

500

400

300

200

100

State of New Mexico
 Energy, Minerals and Natural Resources Department
 Oil Conservation Division Hobbs District Office

BRADENHEAD TEST REPORT

Operator Name Rover Operating LLC		API Number 30-025-00517
Property Name Malmar Unit		Well No. #315

Surface Location

UL - Lot	Section	Township	Range	Feet from	N/S Line	Feet From	E/W Line	County
0	12	17S	32E	660	S	1980	E	Lea

Well Status

TA'D WELL YES	<input checked="" type="radio"/> NO	SHUT-IN YES	<input checked="" type="radio"/> NO	INJECTOR INJ	SWD	OIL	PRODUCER	GAS	DATE 8-8-19
------------------	-------------------------------------	----------------	-------------------------------------	-----------------	-----	-----	----------	-----	-----------------------

OBSERVED DATA

	(A)Surface	(B)Interm(1)	(C)Interm(2)	(D)Prod Casing	(E)Tubing
Pressure	0	NA	NA	0	2020
Flow Characteristics					
Puff	Y/N	Y/N	Y/N	Y/N	CO2 <input type="checkbox"/>
Steady Flow	Y/N	Y/N	Y/N	Y/N	WTR <input checked="" type="checkbox"/>
Surges	Y/N	Y/N	Y/N	Y/N	GAS <input type="checkbox"/>
Down to nothing	N	Y/N	Y/N	N	Type of Fluid Injected for Waterflood if apples
Gas or Oil	Y/N	Y/N	Y/N	Y/N	
Water	Y/N	Y/N	Y/N	Y/N	

Remarks - Please state for each string (A,B,C,D,E) pertinent information regarding bleed down or continuous build up if applies.

WIC
Failed MIT

Signature:		OIL CONSERVATION DIVISION	
Printed name:		Entered into RBDMS	
Title:		Re-test <i>[Signature]</i>	
E-mail Address:			
Date:	Phone:		
Witness: <i>[Signature]</i>			

INSTRUCTIONS ON BACK OF THIS FORM

**EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240**



**NEOPOST
FIRST-CLASS MAIL
\$000.50⁰
08/09/2019 ZIP 88240
042L14818194**

US POSTAGE

**ROVER OPERATING, LLC
17304 PRESTON ROAD
SUITE 300
DALLAS, TX, 75252**