

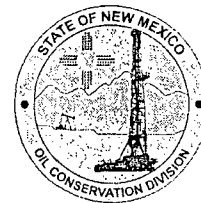
State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David Catanach, Director
Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

29-Apr-15

COG OPERATING LLC
ONE CONCHO CENTER 600 W. ILLINOIS AVE
MIDLAND TX 79701

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.


INSPECTION DETAIL SECTION

MUSTANG STATE No.002				O-18-17S-36E	30-025-37436-00-00	
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
04/29/2015	Routine/Periodic	Mark Whitaker	Yes	No	8/2/2015	iMAW1511923615
	Violations					
	Surface Damage/Restoration					
Comments on Inspection:		DO NOT RELEASE. No information on P&A stub, 4 power poles, transformers, meter base, power disconnect, riser of power pole, gas meter base, caliche off location, and 3 500 bbl tanks noted during inspection. NEED TO INSTALL INFORMATION PLATE ON P&A MARKER. NEED TO REMOVE 4 POWER POLES, TRANSFORMERS, RISER OF POLE, METER BASE, AND POWER DISCONNECT. IF POLES ARE NOT THE PROPERTY OF COG, CONTACT POWER COMPANY TO REMOVE. CONTACT GAS PURCHASER TO REMOVE ALL EQUIPMENT AND BLIND FLANGE GAS SALES LINES. CALICHE THAT WAS SCRAPPED AND PILED ON ADJACENT LOCATION NEEDS TO BE REMOVED. TANKS THAT WERE MOVED TO ADJACENT LOCATION NEED TO BE REMOVED. OCD SHOULD BE FURNISHED WITH A COPY OF CORRESPONDENCE TO POWER COMPANY AND GAS PURCHASER REQUESTING REMOVAL OF THEIR EQUIPMENT.				

MAY 01 2015

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,

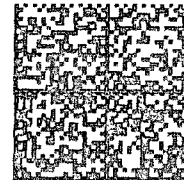

Compliance Officer

Hobbs 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.

EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



HASLER
015H14150977
\$0.48
04/29/15
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COG OPERATING LLC
ONE CONCHO CENTER
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MIDLAND, TX 79701