

State of New Mexico  
Energy, Minerals and Natural Resources Department

Susana Martinez  
Governor

John H. Bemis  
Cabinet Secretary

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

**\*Response Required - Deadline**

Jami Bailey, Division Director  
Oil Conservation Division



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

**HOBBS OCD**

10-Oct-13

**OCT 10 2013**

**CHAPARRAL ENERGY LLC**  
701 CEDAR LAKE BLVD.  
OKLAHOMA CITY OK 73114

**RECEIVED**

**LETTER OF VIOLATION -**

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**

**WEST DOLLARHIDE QUEEN SAND UNIT No.001**

O-19-24S-38E

**30-025-12212-00-**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/10/2013	Bradenhead	Sylvia Dickey	Yes	No	1/13/2014	

iSAD1328327347

**Comments on Inspection:** BHT REPORTED WELL IS SHUT IN; WELL HAS NO REPORTED INJECTION IN 12 MONTHS. \*\*\*OPERATOR IS IN VIOLATION OF NMOCD RULE 19.15.26.12.C TERMINATION OF AUTHORITY TO INJECT\*\*\*OPERATOR MUST SUBMIT INFORMATION REGARDING OPERATOR'S INTENTIONS ON FUTURE USE OF WELL \*\*\*\*\*

**WEST DOLLARHIDE QUEEN SAND UNIT No.018**

P-30-24S-38E

**30-025-12257-00-**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/08/2013	Bradenhead	Sylvia Dickey	Yes	No	1/11/2014	

iSAD1328149866

**Comments on Inspection:** BHT PASSED 9/17/2013; ANNUAL UIC TESTING; \*\*\*PER CARLOS AND TRACI W/CHAPARRAL ENERGY 405-426-4451 OPERATOR WILL RESUBMIT C103 SUNDRY NOTICES APPROVED 5/24/2010 AND 4/22/2005 AS "AMENDED REPORTS" CORRECTION OF STATUS OF WELL WILL BE SUBMITTED \*\*\*VIOLATION LETTER SUBMITTED 10/10/2013 "FOR RECORD ONLY" AWAITING OPERATOR'S SUBMITTALS" PER NMOCD RULE 19.15.7.14. SUNDRY NOTICES AND REPORTS ON WELLS.

**WEST DOLLARHIDE QUEEN SAND UNIT No.021**

M-30-24S-38E

**30-025-12270-00-**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/08/2013	Bradenhead	Sylvia Dickey	Yes	No	1/11/2014	

iSAD1328141923

**Comments on Inspection:** BHT OKAY 09/17/2013; ANNUAL UIC TESTING; \*\*PACKER SETTING DEPTH 106' ABOVE TOP PERF. \*\*\*OPERATOR IN VIOLATION OF NMOCD PERMIT ORDER WFX-570\*\*\*OPERATOR MUST SEEK APPROVAL FROM PHILLIP GOETZ - OCD SANTA FE PRIOR TO SETTING PACKER MORE THAN 100' ABOVE TOP PERF\*\*\*

**WEST DOLLARHIDE QUEEN SAND UNIT No.036**

I-31-24S-38E

**30-025-12288-00-**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/09/2013	Bradenhead	Sylvia Dickey	Yes	No	1/12/2014	

iSAD1328227580

**Comments on Inspection:** BHT OKAY 9/17/2013; ANNUAL UIC TESTING; \*\*PACKER SETTING DEPTH 132' ABOVE TOP PERF. \*\*\*OPERATOR IN VIOLATION OF NMOCD PERMIT ORDER WFX-570\*\*\*OPERATOR MUST SEEK APPROVAL FROM PHILLIP GOETZ - OCD SANTA FE PRIOR TO SETTING PACKER MORE THAN 100' ABOVE TOP PERF\*\*\*

**WEST DOLLARHIDE QUEEN SAND UNIT No.037**

L-32-24S-38E

**30-025-12302-00-**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/09/2013	Bradenhead	Sylvia Dickey	Yes	No	1/12/2014	

iSAD1328227957

**Comments on Inspection:** BHT OKAY 9/17/2013; ANNUAL UIC TESTING; \*\*PACKER SETTING DEPTH 117' ABOVE TOP PERF. \*\*\*OPERATOR IN VIOLATION OF NMOCD PERMIT ORDER WFX-570\*\*\*OPERATOR MUST SEEK APPROVAL FROM PHILLIP GOETZ - OCD SANTA FE PRIOR TO SETTING PACKER MORE THAN 100' ABOVE TOP PERF\*\*\*

**WEST DOLLARHIDE QUEEN SAND UNIT No.111**

L-29-24S-38E

**30-025-30192-00-**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/10/2013	Bradenhead	Sylvia Dickey	Yes	No	1/13/2014	

iSAD1328334479

**Comments on Inspection:** BHT PASSED 9/17/2013; BHT REPORTED WELL IS SHUT IN; WELL HAS NO REPORTED INJECTION IN 12 MONTHS. \*\*\*OPERATOR IS IN VIOLATION OF NMOCD RULE 19.15.26.12.C TERMINATION OF AUTHORITY TO INJECT\*\*\*OPERATOR MUST SUBMIT INFORMATION REGARDING OPERATOR'S INTENTIONS ON FUTURE USE OF WELL\*\*\*\*\*

**WEST DOLLARHIDE QUEEN SAND UNIT No.142**

P-32-24S-38E

**30-025-30299-00-**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/09/2013	Bradenhead	Sylvia Dickey	Yes	No	1/12/2014	

iSAD1328238372

**Comments on Inspection:** BHT AND PRESSURE TEST OKAY 9/17/2013; ANNUAL UIC TESTING; PSA 3577; TPA 3645; \*\*OPERATOR OVER INJECTION LIMIT\*\*\* INJECTION REPORTED 1360 PSI - APPROVED INJECTION 1120 PSI\*\*OPERATOR IN VIOLATION OF NMOCD RULE 19.15.26.10\*\*\*OPERATION AND MAINTENANCE\*\*\*AND WFX 570.

**WEST DOLLARHIDE QUEEN SAND UNIT No.143**

J-32-24S-38E

**30-025-30300-00-**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/09/2013	Bradenhead	Sylvia Dickey	Yes	No	1/12/2014	

iSAD1328239021

**Comments on Inspection:** BHT OKAY 9/17/2013; ANNUAL UIC TESTING; SHUT IN FOR 12 MONTHS; PSA 3577; TPA 3643; \*\*\*OPERATOR IS IN VIOLATION OF NMOCD RULE 19.15.26.12.C TERMINATION OF AUTHORITY TO INJECT\*\*\*OPERATOR MUST SUBMIT INFORMATION REGARDING OPERATOR'S INTENTIONS ON FUTURE USE OF WELL\*\*\*\*\*

October 10, 2013

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**WEST DOLLARHIDE QUEEN SAND UNIT No.151**

M-29-24S-38E

**30-025-30306-00-**

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/10/2013	Bradenhead	Sylvia Dickey	Yes	No	1/13/2014	

iSAD1328330685

**Comments on Inspection:** BHT PASSED 9/17/2013; ANNUAL UIC TESTING; \*\*PACKER SETTING DEPTH 119' ABOVE TOP PERF. \*\*\*OPERATOR IN VIOLATION OF NMOCD PERMIT ORDER WFX-570\*\*\*OPERATOR MUST SEEK APPROVAL FROM PHILLIP GOETZ - OCD SANTA FE PRIOR TO SETTING PACKER MORE THAN 100' ABOVE TOP PERF\*\*\*

**WEST DOLLARHIDE QUEEN SAND UNIT No.133**

D-31-24S-38E

**30-025-30355-00-**

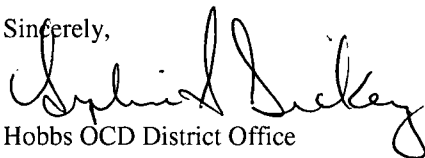
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
10/09/2013	Bradenhead	Sylvia Dickey	Yes	No	1/12/2014	

iSAD1328235735

**Comments on Inspection:** LAST INJ 12/2012; SHUT IN/TA EXPIRED 2007; NO REPORT ON FILE TO DETERMINE STATUS CHANGE OF WELL; TA'D 2006 TBG/PKR IN HOLE; \*\*\*OPERATOR IN VIOLATION OF NMOCD RULE 19.15.25.12 (APPROVED TEMPORARY ABANDONMENT) \*\*\*\*\*UPON WORKOVER OPERATOR MUST SET PACKER ACCORDING TO OCD PERMIT WFX-570 - NOTE - IF PACKER CANNOT BE SET ACCORDINGLY, OPERATOR MUST CONTACT OCD SANTA FE PHILLIP FOR PACKER SETTING APPROVAL.

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,



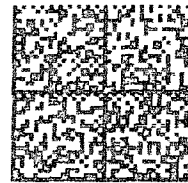
Hobbs OCD District Office

**COMPLIANCE OFFICER**

**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  
\$0.46  
10/10/13  
Mailed From 88240  
US POSTAGE

Chaparral Energy LLC  
Attn: Traci/Carlos Regulatory NM/Engineering  
701 Cedar Lake Blvd  
Oklahoma City, OK 73114