State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin_

Cabinet Secretary

Jami-Bailey, Division-Director

Oil Conservation Division

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



Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

29-Jul-14

CIMAREX ENERGY CO. OF COLORADO

202 S. CHEYENNE AVE, STE 1000 TULSA OK 74103

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

CITGO SE STATE No.002

A-17-22S-36E

30-025-25546-00-00

Inspection Date

Type Inspection

Inspector

Yes

*Significant

Corrective

Violation?

Action Due By:

07/28/2014

Routine/Periodic

Mark Whitaker

Non-Compliance? Nο

Inspection No. 10/31/2014 iMAW1420935492

Violations

Absent Well Identification Signs (Rule 103)

Comments on Inspection:

Well sign not legible (19.15.16.8). NEED TO REPLACE WELL SIGN.

Rule 19.15.16.8

Each sign shall show operator's name, property name, well number, location by footage, unit letter section, township, range, and API number

JUL 3 0 20141

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,

OMPLIANCE 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



015H14150977 \$0.48 07/29/14 Malled From 88240

CIMAREX ENERGY CO. OF COLORADO 202 S. CHEYENNE SUITE 1000 TULSA, OK 74103