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"

21-Jul-15

RAM ENERGY LLC 5100 EAST SKELLY DRIVE SUITE 600 TULSA OK 74135

LETTER OF VIOLATION - Inspection

Dear Operator:

07/21/2015

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.024 B-31-24S-38E 30-025-12276-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: Gilbert Cordero 07/21/2015 MIT Witnessed - Other Yes No 10/24/2015 iGC1520249771 Comments on Inspection: Lost 110psi in 5 mins WEST DOLLARHIDE QUEEN SAND UNIT No.113 C-31-24S-38E 30-025-30231-00-00 Inspection *Significant Corrective Violation? Inspection No. Type Inspection Inspector Date Non-Compliance? Action Due By:

Yes

No

Gilbert Cordero

Comments on Inspection: BHT Failed - Pressure dropped on thg

Bradenhead

iGC1520246304

10/24/2015

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 Divison 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



RAM ENERGY LLC 5100 EAST SKELLY DRIVE SUITE 600 TULSA, OK 74135