State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McOueen

Cabinet Secretary

Matthias Sayer

Deputy Cabinet Secretary

Heather Riley Division Director



Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

HOBBS OCD

MAY 2 3 2018

RECEIVED

22-May-18

CAMERON OIL & GAS INC PO BOX 1455

ROSWELL NM 88202

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

REEVES No.001

G-29-20S-37E

30-025-24443-00-00

Inspection Date

Type Inspection

Inspector

*Significant Violation?

Corrective

05/21/2018

Routine/Periodic

Non-Compliance? No

Action Due By:

Inspection No.

Mark Whitaker

Yes

8/24/2018

iMAW1814146163

Violations

Idle well (Rule 201)

Comments on Inspection:

Idle well (Rule 19.15.25.8). No production reported in over 17 months. NEED TO RETURN WELL TO PRODUCTION, APPLY FOR TA STATUS, OR SUBMIT C103 INTENT TO PLUG

& ABANDON.

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,

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



CAMERON OIL & GAS INC PO BOX 1455 ROSWELL, NM 88202-1455