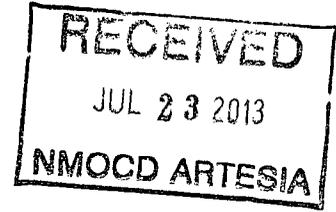




July 22, 2013



Ms. Terry Gregston
Bureau of Land Management
620 E. Green Street
Carlsbad, NM 88220

AMARILLO
921 North Bivins
Amarillo, Texas 79107
Phone 806.467.0607
Fax 806.467.0622

ARTESIA
408 West Texas Ave.
Artesia, New Mexico 88210
Phone 575.746.8768
Fax 575.746.8905

Subject: **Remediation and Closure**
Cimarex Energy Company of Colorado
Pintail 23 Federal No. 3
30-015-36335 2RP-1456
Undesirable Event: NU13040TG

HOBBS
318 East Taylor Street
Hobbs, New Mexico 88240
Phone 575.393.4261
Fax 575.393.4658

Dear Ms. Gregston,

Cimarex Energy Company of Colorado has contracted Talon/LPE (Talon) to perform soil assessment and remediation services at the referenced Pintail 23 Federal No. 3. The results of our soil assessment, completed remediation activities and closure request are submitted herein.

MIDLAND
2901 State Hwy 349
Midland, Texas 79706
Phone 432.522.2133
Fax 432.522.2180

Incident Date

Unknown

OKLAHOMA CITY
7700 North Hudson Avenue
Suite 10
Oklahoma City, Oklahoma 73116
Phone 405.486.7030
Fax 806.467.0622

Background Information

The Pintail 23 Federal No. 3 is located approximately twenty-seven (27) miles south of Carlsbad, New Mexico. The legal location for the site is Section 23, Township 25 South and Range 26 East in Eddy County, New Mexico. More Specifically the latitude and longitude for the release are 32.1162507 North and -104.265523 West.

SAN ANTONIO
11 Commercial Place
Schertz, Texas 78154
Phone 210.265.8025
Fax 210.568.2191

According to the soil survey provided by the United States Department of Agriculture National Resources Conservation Services, the soil in this area is made up of Reeves-Gypsum land complex soils with 0 to 3 percent slopes. The local surface and shallow geology, Quaternary Age sedimentary deposits, is comprised of alluvium and eolian sands which includes silty soils underlain by gypsum and hard caliches. Drainage courses in this area are normally dry. The New Mexico State Engineer web site indicates the nearest ground water data to be in S33-T25S-R26E. The ground water in Section 22 is reported to be 118' below ground surface (bgs). The referenced groundwater data is presented in Appendix I.

ENVIRONMENTAL CONSULTING
ENGINEERING
DRILLING
CONSTRUCTION
SPILL MANAGEMENT
GENERAL CONTRACTING

The ranking for this site is 0 based on the as following:

Depth to ground water >100'
Wellhead Protection Area >1000'
Distance to surface water body >1000'

Incident Description

On December 9, 2012 the BLM sent notification and a spill map to Cimarex regarding the subject Pintail 23 Federal No. 3 unreported spill.

Remedial Actions Taken

On May 16, 2013 Talon personnel mobilized to the site to begin excavation of the impacted area in accordance with the approved work plan. The impacted soil within the vicinity of sample location S-1 of the release was excavated to a depth of 1-foot below land surface and the area in the vicinity of S-2 was excavated to a depth of 0.5-feet deep. The impacted soil was transported to a NMOCD approved solid waste disposal facility pursuant to the approved work plan. The excavated area was left open until approval to backfill was obtained. On May 30, 2013 approval to backfill was obtained from the NMOCD.

On May 21, 2013 Talon personnel mobilized to the site to begin closure soil sampling activities on the bottom and sidewalls of the excavation per NMOCD requirements. A grab soil sample was collected and submitted for laboratory analysis.

All soil samples were collected by Talon personnel wearing clean nitrile gloves. The soil samples were placed in laboratory provided sample containers and transported to Cardinal Laboratories in Hobbs, New Mexico for analysis. The samples were tested for total chlorides via Method SM 4500Cl-B. The complete laboratory report is attached as Appendix II.

Analytical Results

Analytical results received from Cardinal Laboratories are summarized below:

Date of Report: May 28, 2013

<u>Sample</u>	<u>Depth</u>	<u>BTEX</u>	<u>Chlorides</u>	<u>TPH mg/kg</u>
S-3	1'	<0.300	784	<10
S-4	sidewall	--	80	--
S-5	sidewall	--	544	--
S-6	sidewall	--	944	--
S-7	0.5'	<0.300	224	<10
S-8	sidewall	--	272	--
S-9	sidewall	--	208	--
S-10	sidewall	--	368	--
S-11	sidewall	--	256	--
S-12	sidewall	--	320	--
S-13	sidewall	--	608	--
S14	sidewall	--	960	--

For this site's ranking, New Mexico Oil Conservation District action level criterion for BTEX is 50 mg/kg, Benzene is 10 mg/kg and TPH is 5,000 mg/kg. Chloride cleanup level was considered to be 1,000 mg/kg.

Summary & Conclusion

- The depth to groundwater in the project vicinity is 118-feet below land surface per the New Mexico State Engineer Database.
- The chloride impacted area was excavated to a depth of 1-foot deep in the impacted area near sample point S-1.
- The chloride impacted area was excavated to a depth of 0.5-foot deep at in the impacted area in the vicinity of sample point S-2. The excavated soil was transported to a NMOCD approved solid waste disposal facility.
- Upon NMOCD's approval of the confirmation samples, the excavated area was backfilled to grade using new material transported from a local borrow pit.
- Based on the depth to groundwater, it is unlikely that the impacts identified from this release will pose a threat to groundwater after proposed remediation activities are complete.

Closure

Therefore, on behalf of Cimarex Energy, we respectfully request that no further actions be required and that closure with respect to this release be granted.

If we can provide additional information or be of further assistance please contact our office at 575.746.8768.

Respectfully submitted,

TALON/LPE

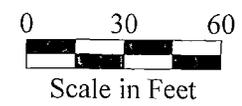
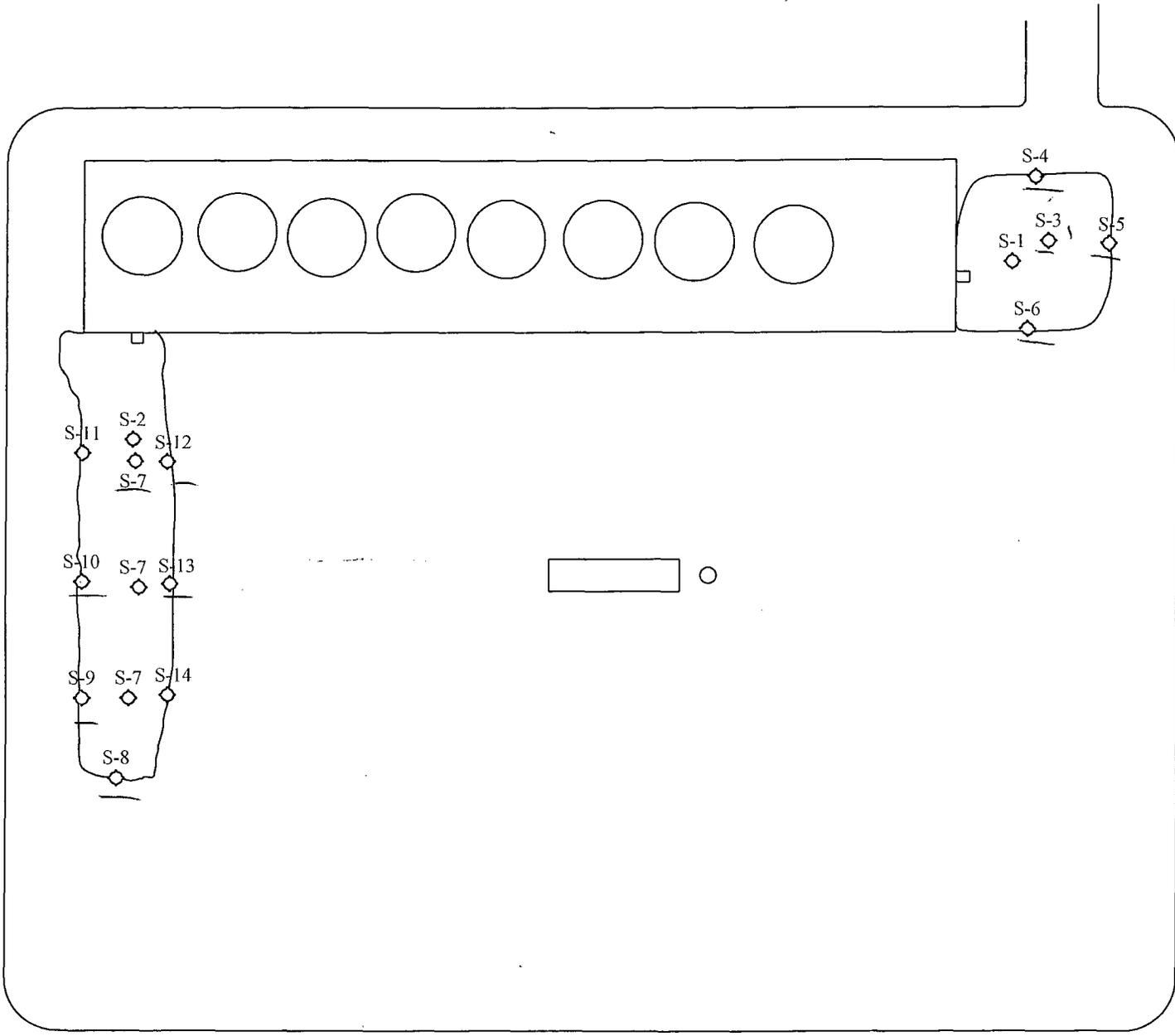


Mike Stubblefield
Project Manager



David J. Adkins
District Manager

SITE MAP



Legend

◊ - Sample Location



Date: 05/29/2013
 Scale: 1" = 60'
 Drawn By: TJS

Pintail 23 Fed. No. 3
 Cimarex Energy Company
 Eddy County, New Mexico
 Figure 1 - Site Plan

APPENDIX I
GROUNDWATER DATA



New Mexico Office of the State Engineer

Water Column/Average Depth to Water

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)

(R=POD has been replaced, O=orphaned, C=the file is closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest)

(NAD83 UTM in meters)

(In feet)

POD Number	POD Code	Subbasin	County	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Distance	Depth Well	Depth Water	Water Column
<u>C 02220</u>	CUB		ED	3	1	2	26	25S	26E	569598	3552352*	1713	35		
<u>C 01368</u>	C		ED	1	1	22	25S	26E	567261	3554059*	1718	143	118	118	25
													Average Depth to Water:		118 feet
													Minimum Depth:		118 feet
													Maximum Depth:		118 feet

Record Count: 2

UTMNAD83 Radius Search (in meters):

Easting (X): 568976

Northing (Y): 3553949

Radius: 2000

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

APPENDIX II
LABORATORY RESULTS



May 28, 2013

MIKE STUBBLEFIELD

TALON LPE

408 W. TEXAS AVE.

ARTESIA, NM 88210

RE: PINTAIL 23 FEDERAL NO. 3

Enclosed are the results of analyses for samples received by the laboratory on 05/21/13 14:40.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Celey D. Keene". The signature is written in a cursive, flowing style.

Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

 TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received:	05/21/2013	Sampling Date:	05/21/2013
Reported:	05/28/2013	Sampling Type:	Soil
Project Name:	PINTAIL 23 FEDERAL NO. 3	Sampling Condition:	Cool & Intact
Project Number:	701162.036.01	Sample Received By:	Jodi Henson
Project Location:	SEC 23 T25S R26E		

Sample ID: S-3 1' (H301215-01)

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	05/24/2013	ND	2.21	111	2.00	5.67		
Toluene*	<0.050	0.050	05/24/2013	ND	1.99	99.6	2.00	5.35		
Ethylbenzene*	<0.050	0.050	05/24/2013	ND	2.17	109	2.00	5.48		
Total Xylenes*	<0.150	0.150	05/24/2013	ND	6.29	105	6.00	4.96		
Total BTEX	<0.300	0.300	05/24/2013	ND						

Surrogate: 4-Bromofluorobenzene (PIC) 109 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: DW						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	784	16.0	05/22/2013	ND	432	108	400	0.00		

TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	05/23/2013	ND	212	106	200	3.26		
DRO >C10-C28	<10.0	10.0	05/23/2013	ND	204	102	200	4.86		

Surrogate: 1-Chlorooctane 107 % 65.2-140

Surrogate: 1-Chlorooctadecane 117 % 63.6-154

Sample ID: S-4 (H301215-02)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: DW						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	80.0	16.0	05/22/2013	ND	432	108	400	0.00		

Cardinal Laboratories

* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received:	05/21/2013	Sampling Date:	05/21/2013
Reported:	05/28/2013	Sampling Type:	Soil
Project Name:	PINTAIL 23 FEDERAL NO. 3	Sampling Condition:	Cool & Intact
Project Number:	701162.036.01	Sample Received By:	Jodi Henson
Project Location:	SEC 23 T25S R26E		

Sample ID: S-5 (H301215-03)

Chloride, SM4500Cl-B	mg/kg		Analyzed By: DW						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	544	16.0	05/22/2013	ND	432	108	400	0.00	

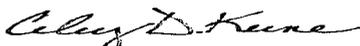
Sample ID: S-6 (H301215-04)

Chloride, SM4500Cl-B	mg/kg		Analyzed By: DW						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	944	16.0	05/22/2013	ND	432	108	400	0.00	

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*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received:	05/21/2013	Sampling Date:	05/21/2013
Reported:	05/28/2013	Sampling Type:	Soil
Project Name:	PINTAIL 23 FEDERAL NO. 3	Sampling Condition:	Cool & Intact
Project Number:	701162.036.01	Sample Received By:	Jodi Henson
Project Location:	SEC 23 T25S R26E		

Sample ID: S-7 0.5' (H301215-05)

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	05/24/2013	ND	2.21	111	2.00	5.67		
Toluene*	<0.050	0.050	05/24/2013	ND	1.99	99.6	2.00	5.35		
Ethylbenzene*	<0.050	0.050	05/24/2013	ND	2.17	109	2.00	5.48		
Total Xylenes*	<0.150	0.150	05/24/2013	ND	6.29	105	6.00	4.96		
Total BTEX	<0.300	0.300	05/24/2013	ND						

Surrogate: 4-Bromofluorobenzene (PIC) 110 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: DW						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	224	16.0	05/22/2013	ND	432	108	400	0.00		

TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	05/23/2013	ND	212	106	200	3.26		
DRO >C10-C28	<10.0	10.0	05/23/2013	ND	204	102	200	4.86		

Surrogate: 1-Chlorooctane 105 % 65.2-140

Surrogate: 1-Chlorooctadecane 115 % 63.6-154

Sample ID: S-8 (H301215-06)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: DW						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	272	16.0	05/22/2013	ND	432	108	400	0.00		

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received:	05/21/2013	Sampling Date:	05/21/2013
Reported:	05/28/2013	Sampling Type:	Soil
Project Name:	PINTAIL 23 FEDERAL NO. 3	Sampling Condition:	Cool & Intact
Project Number:	701162.036.01	Sample Received By:	Jodi Henson
Project Location:	SEC 23 T25S R26E		

Sample ID: S-9 (H301215-07)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: DW						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	208	16.0	05/22/2013	ND	432	108	400	0.00		

Sample ID: S-10 (H301215-08)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: DW						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	368	16.0	05/22/2013	ND	432	108	400	0.00		

Sample ID: S-11 (H301215-09)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: DW						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	256	16.0	05/22/2013	ND	432	108	400	0.00		

Sample ID: S-12 (H301215-10)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: DW						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	320	16.0	05/22/2013	ND	432	108	400	0.00		

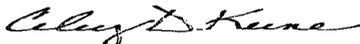
Sample ID: S-13 (H301215-11)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: DW						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	608	16.0	05/22/2013	ND	432	108	400	0.00		

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* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received:	05/21/2013	Sampling Date:	05/21/2013
Reported:	05/28/2013	Sampling Type:	Soil
Project Name:	PINTAIL 23 FEDERAL NO. 3	Sampling Condition:	Cool & Intact
Project Number:	701162.036.01	Sample Received By:	Jodi Henson
Project Location:	SEC 23 T25S R26E		

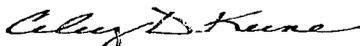
Sample ID: S-14 (H301215-12)

Chloride, SM4500CI-B	mg/kg	Analyzed By: DW							
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	960	16.0	05/22/2013	ND	432	108	400	0.00	

Cardinal Laboratories

* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

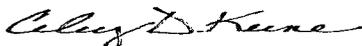
Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240
(575) 393-2326 FAX (575) 393-2476

Company Name: <u>Talon / LPE</u>		BILL TO		ANALYSIS REQUEST												
Project Manager: <u>Mike Stubblefield</u>		P.O. #:		Total chlorides												
Address: <u>408 West Tolar Ave.</u>		Company: <u>Talon / LPE</u>														
City: <u>Artesia</u> State: <u>NM</u> Zip: <u>88210</u>		Attn:														
Phone #: <u>505-491-7254</u> Fax #:		Address:														
Project #: <u>201162-036.01</u> Project Owner: <u>Cimarron Energy Co.</u>		City:														
Project Name: <u>Pintail 23 Federal No. 3</u>		State: Zip:														
Project Location: <u>sec. 23 T28S-R26E</u>		Phone #:														
Sampler Name: <u>Mike Stubblefield</u>		Fax #:														
FOR LAB USE ONLY																MATRIX
Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS	GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID/BASE:	ICE / COOL	OTHER:	DATE	TIME		
<u>H301215</u>																
<u>11</u>	<u>5-13</u>	<u>C</u>											<u>5/21/13</u>	<u>11:53A</u>		
<u>12</u>	<u>5-14</u>	<u>C</u>											<u>5/21/13</u>	<u>11:57A</u>		

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Relinquished By: <u>Mike Stubblefield</u>	Date: <u>5/21/13</u>	Received By: <u>Jodi Henson</u>	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
	Time: <u>2:50</u>		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Relinquished By:	Date:	Received By:	REMARKS:	
	Time:			
Delivered By: (Circle One)	Sample Condition	Checked By:		
Sampler - UPS - Bus - Other:	Cool Intact <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No	<u>[Signature]</u>		

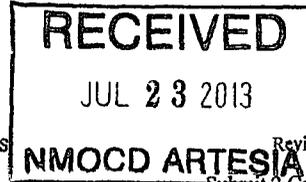
† Cardinal cannot accept verbal changes. Please fax written changes to (575) 393-2326

#54

FINAL C-141

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505



Form C-141
Revised October 10, 2003
Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company : Cimarex Energy (162683)	Contact : Terry D. Ainsworth
Address : 600 N Marienfeld Ste 600, Midland TX 79701	Telephone No. : 575-390-1388
Facility Name : Pintail 23 Federal #3	Facility Type: Oil Well
Surface Owner :	Mineral Owner
API #: 30-015-36335 2RP-1456	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
F	23	25S	26E	2310'	North	1980'	West	Eddy

Latitude 32 07' 18.11" Longitude -104 15' 56.22"

NATURE OF RELEASE

Type of Release : Produced Fluids	Volume of Release : 30 bbls	Volume Recovered: -25- bbls
Source of Release : Water Tank Overflow	Date and Hour of Occurrence: Unknown	Date and Hour of Discovery: Unknown
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour :	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.* The produced water transfer pump malfunctioned causing the tanks to overflow. The spill was contained inside the lined containment berm. A vac truck was called immediately to the location recovering 25 bbls of fluid. The contaminated gravel was removed. The transfer pump was repaired.

Describe Area Affected and Cleanup Action Taken.* Talon/LPE was contacted for the correction of the release. The impacted area from this release was excavated to a depth of 1/2-foot to 1-foot deep and analytical testing was completed. Following NMOCD approval of the confirmation samples, the excavation was backfilled to grade using new material. The area was contoured to match the surrounding location.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

OIL CONSERVATION DIVISION

Signature:	Approved by District Supervisor:	
Printed Name: Brad Sparks	Approval Date:	Expiration Date:
Title: Production Foreman	Conditions of Approval:	
E-mail Address: ibsparks@cimarex.com	Attached <input type="checkbox"/>	
Date: 7/22/2013 Phone:		

* Attach Additional Sheets If Necessary