

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

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APR 27 2010

HOBBSSOCC

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

X Initial Report

X Final Report

Name of Company: Cimarex Energy Company	Contact: Mark Bishop
Address: 701 N. Grimes Street, Hobbs, NM 88240	Telephone No.: 575-602-1002
Facility Name: Carlson Harrison Fed. Com No. 1	Facility Type: oil and gas

Surface Owner: BLM	Mineral Owner: Federal	Lease No. NMNM90798
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LOCATION OF RELEASE

API NO.: 30-025-11692

IRP: 2490

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
L	22	25S	37E	1980	FSL	660	FWL	LEA

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release: Sodium Chlorides	Volume of Release: N/A	Volume Recovered: N/A
Source of Release: Surface percolation, natural effects of wind and water on reclaimed pit area.	Date and Hour of Occurrence: Unknown over time	Date and Hour of Discovery: 7 April 2010
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? Response to BLM NWO (10-JA-072W)	
By Whom? N/A	Date and Hour: N/A	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. N/A	

If a Watercourse was Impacted, Describe Fully.*
N/A

Describe Cause of Problem and Remedial Action Taken.*
Natural effects of wind and water on surface reclamation over time. See CAP/FRR attached.

Describe Area Affected and Cleanup Action Taken.*
See CAP/FRR attached.

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.

Signature: <i>Mark Bishop</i>	<u>OIL CONSERVATION DIVISION</u>	
Printed Name: Mark Bishop	<i>J. Johnson</i> Approved by District Supervisor ENVIRONMENTAL ENGINEER	
Title: Operations Foreman	Approval Date: 4.27.10	Expiration Date:
E-mail Address: mbishop@cimarex.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 27 April 2010 Phone: 575-602-1002		IRP 2490

* Attach Additional Sheets If Necessary

NLW 1020437206
PLWJ 102043749

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Form 3160-18
(October, 1999)

Operator

APR 21 2010

Number 10-JA-072W

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Page of

Certified Mail - Return Receipt Requested
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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

IDENTIFICATION	
IID	
Lease	NMNM90798
CA	
Unit	
PA	

NOTICE OF WRITTEN ORDER

Bureau of Land Management Office HOBBS INSPECTION OFFICE		Operator CIMAREX ENERGY COMPANY OF CO					
Address 414 WEST TAYLOR HOBBS NM 88240		Address 600 N MARIENFELD STREET, SUITE 600 MIDLAND TX 79701					
Telephone 575.393.3612		Attention					
Inspector AMOS		Attn Addr					
Site Name CARLSON-HARRIS	Well or Facility 01	1/4 1/4 Section NWSW 22	Township 25S	Range 37E	Meridian NMP	County LEA	State NM
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State

The following condition(s) were found by Bureau of Land Management Inspectors on the date and at the site(s) listed above.

Date	Time (24-hour clock)	Corrective Action to be Completed by	Date Corrected	Authority Reference
04/07/2010	07:00	06/07/2010		43 CFR 3162.1.a, 3162.5-1

Remarks:

African Rue on the SW corner of the location, on the SW access road, and on the NW corner of the reserve pit on the #4 location. The African Rue must be treated within the next 30 days and should be looked at again in mid to late summer. Annual maintenance will be required until the problem is gone. Salt affected area north of the dry-hole-marker needs to be addressed in a plan for the remediation of the area. Area must be capable of being revegetated. Remove old heater treater stack on the south side of the location. Contact Jim Amos @ 575-234-5909 if any questions. Also provide a contact for environmental issues in this area of Lea County.

When the Written Order is complied with, sign this notice and return to above address.

Company Representative Title Operations Foreman Signature Mash Bushy Date 4-27-10
Company Comments see attached copies

Warning

The Authorized Officer has authority to issue a Written Order in accordance with 43 CFR 3161.2. Written Order correction and reporting time frames begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each stipulation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management Office at the address shown above. If you do not comply as noted above under "Corrective Action to be Completed By", you shall be issued an Incident of Noncompliance (INC) in accordance with 43 CFR 3163.1(a). Failure to comply with the INC may result in assessments as outlined in 43 CFR 3163.1 and may also incur civil penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time frame for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

Review and Appeal Rights

A person contesting a decision shall request a State Director review of the Written Order. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer <u>James A. Amos</u>	Date 4-7-10	Time 07:00
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FOR OFFICE USE ONLY

Number 2P	Date	Type of Inspection SA
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Mr. Mark Bishop
Operations Foreman
Cimarex Energy Company
701 N. Grimes St.
Hobbs, New Mexico 88240

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APR 27 2010

HOBBS, NM

27 April 2010

Mr. Larry Johnson
OIL CONSERVATION DIVISION
1625 N. French Drive
Hobbs, NM 88240

Re: Carlson Harrison Federal Com. No. 1 *Corrective Action Plan / Final Remediation Report*
API No.: 30-025-11692 / U/L L S22 T25S R37E 1980 FSL 660 FWL
1RP No.: 2490

Dear Mr. Johnson:

Cimarex Energy Company of Colorado (Cimarex) herewith provides written notification and appended Form C-141 to the New Mexico Oil Conservation Division (NMOCD) of an unauthorized discharge in the area of the reclaimed pit from sodium chloride percolated to surface as a leachate resulting from the natural effects of wind and water erosion in the immediate area. This condition was discovered in response to the presence of *African Rue* adjacent to and located within the southwest corner of the pad as well as along the shared access road to the Carlson Harrison Federal Com. No. 4 location to the south.

The Bureau of Land Management (BLM) also issued a Notice of Written Order (NWO) on 7 April 2010 (NWO No.:10-JA-072W) to Cimarex regarding (1) the handling of the *African Rue* infestation and (2) overall pit compliance as described above. Subsequently, Cimarex has responded to BLM's NWO by the following measures:

1. Cimarex again entered into an agreement with the Carlsbad Soil and Water Conservation District (CSWCD) for the purpose of participating in the 2010 Noxious Weed Program for treatment of *African Rue* infestations. Cimarex has participated since 2008 in the Program for control and removal of this weed. (See enclosed letters to CSWCD and BLM)

Cimarex has also confirmed with Ray Keller at BLM and Judy Bock with CSWCD that the Carlson Harrison Federal Com. Nos. 1 and 4 have already been sprayed for *African Rue* this season. Therefore, it is now possible to allow heavy equipment into these areas for on going remediation activities per Mr. Keller .

2. Cimarex has notified BLM that it has contacted Lea County, NMOCD regarding the pit condition cited by the BLM's NWO and developed the *Corrective Action Plan (CAP)* and *Final Remediation Report (FRR)* to be executed once approved by NMOCD. (See enclosed letter to BLM)

Predicated on the above history, Cimarex intends to verify the soil conditions and the extent of the chloride contaminant effectuation in the area via sampling. Following this, topsoil will either be (1) imported or (2) obtained locally, if free of *African Rue* and compliant with the NMOCD regulatory standards for soil chlorides. Once in place, the pit area shall be reseeded with BLM Seed Mix No. 4 per BLM's reclamation program seed mixtures for this area.

Should you have questions please call (575-602-1002).

Sincerely,

A handwritten signature in cursive script that reads "Mark Bishop".

Mark Bishop
Operations Foreman

Enclosures: BLM's NWO, BLM Letters (2), CSWCD Letter (1), Form C-141

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