

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

Jami Bailey, Division Director  
Oil Conservation Division



October 31, 2014

Pure Energy Operating, LLC  
2515 McKinney Ave., Suite 900  
Dallas, TX 75201

OGRID No. 236435

Via Certified Mail: 7012 0470 0001 5967 3505

Dear Operator:

Rule 19.15.7.24 of the Oil Conservation Division ("OCD") requires that C-115(s) (Monthly Production Reports) be filed electronically on or before the 15<sup>th</sup> day of the second month following the month of production. As of today, we have not received your electronically submitted C-115(s) for **May, 2014**. It is the Operator's duty to file their monthly reports and update the OCD with any change in contact information per 19.15.9.8 NMAC.

Despite our attempts to notify you of this violation, no report has been received by the OCD. You are hereby being notified that effective immediately, the OCD has now revoked your authorization to transport from or inject into all wells your company operates.

In addition to the State Land Office, the New Mexico Taxation and Revenue Department, and the Bureau of Land Management, we will also take steps to notify purchasers and transporters of this revocation. Any unauthorized transportation or injection will be a violation of the Oil and Gas Act and the OCD will bring compliance actions against anyone participating in violations of the Act.

Immediate action is now required by you if you wish to restore your transport and injection authority. Please contact Daniel Sanchez at [Daniel.Sanchez@state.nm.us](mailto:Daniel.Sanchez@state.nm.us) (505-476-3493) to schedule a compliance conference. If no attempt to contact the OCD is made, we will move to find your wells orphaned, find you out of compliance with a division order, authorize the division to plug and abandon your wells, and seize any associated financial assurance, and seek any additional penalties available under the Act. Any operator or their principals found out of compliance with a division order will not be given a new OGRID number to authorize them to operate in the state of New Mexico.

Sincerely,

Daniel Sanchez  
NMOCD Compliance & Enforcement Manager

1220 South St. Francis Drive • Santa Fe, New Mexico 87505  
Phone (505) 476-3460 • Fax (505) 476-3462 • [www.emnrd.state.nm.us/ocd](http://www.emnrd.state.nm.us/ocd)