## State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin
Cabinet Secretary

David Catanach, Division Director Oil Conservation Division



Tony Delfin
Deputy Cabinet Secretary

June 7, 2016

Tom M. Ragsdale, President Siana Operating, LLC 12012 Wickchester Lane Suite 410 Houston, TX 77079

Re: OCD Case No. 15475 APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION COMPLIANCE AND ENFORCEMENT BUREAU FOR A COMPLIANCE ORDER AGAINST SIANA OPERATING, LLC, FOR WELLS OPERATED IN LEA COUNTY, NEW MEXICO.

Dear Mr. Ragsdale:

Pursuant to the settlement agreement executed on June 3, 2016, the OCD has reinstated Siana's authority to transport from the following wells:

- 1. Blue Dunn #001, API No. 30-025-33513
- 2. Blue Dunn #002, API No. 30-025-33616
- 3. Curry Federal #002, API No. 30-025-24003
- 4. Curry State #002, API No. 30-025-28647
- 5. Curry State #005, API No. 30-025-39908
- 6. Curry State #006, API No. 30-025-41453
- 7. Newkumet Federal #001, API No. 30-025-32937
- 8. Royal Trude #001, API No. 30-025-34052
- 9. Triple A Federal #002, API No. 30-025-27521

All the terms of previously granted C-104's remain in effect for the above referenced wells. Pursuant to the settlement agreement, injection authority into the APD Federal #001 and the Curry Federal #002 remains revoked until Siana resolves additional issues regarding those sites.

If you have any questions please contact me at (505) 476-3460.

Sincerely

David Catanach

OCD Division Director

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Ec: Aubrey Dunn, adunn@slo.state.nm.us, New Mexico State Land Office, P.O. Box 1148, Santa Fe, NM 87504

Tom Zelenka, Joseph Galluzzi, tzelenka@blm.gov, jgalluzz@blm.gov, Bureau of Land Management, P.O. Box 27115, Santa Fe, NM 87502

Judy Vigil, judy.vigil@state.nm.us, New Mexico Taxation and Revenue Dept., 1200 South Saint Francis Dr., Santa Fe, NM 87505