

NEW MEXICO ENERGY, MINERALS NATURAL RESOURCES DEPARTMENT

Susana Martinez

Governor

Jami Bailey

Division Director Oil Conservation Division

John H. Bemis Cabinet Secretary

Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

07-Mar-12

HOBBS OCD

CIMAREX ENERGY CO. OF COLORADO 600 N. MARIENFELD ST SUITE 600 MIDLAND TX 79701

MAR 0 8 2012

RECEIVED

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

S W HARRISON No.009 K-25-24S-36E 30-025-26436-00-00 Inspection *Significant Corrective Type Inspection Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 03/06/2012 Routine/Periodic Mark Whitaker Yes No 6/9/2012 iMAW1206659013 Violations Surface Damage/Restoration DO NOT RELEASE BOND. Last well on lease. Dry hole marker not correct. No lease name or

Comments on Inspection:

well number on marker. Range is 36E not 36D. Fiberglass rods NW of marker. 3 stakes driven in ground on NW corner (flagged). Polyline on south, west and north sides of location. Pollyline crosses under road to east. Drilling line or old anchor north of well NEED TO CORRECT DRY HOLE MARKER, REMOVE SUCKER RODS, STAKES, DRILLING LINE, AND ALL POLLYLINE FROM WELL SITE AND TO SALES CONNECTION. 1st notice of violation.

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. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

Sincerely, Wash (

COMPLIANCE OFFICER

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



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