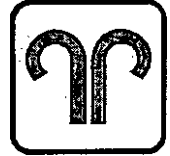


RAM Energy LLC

5100 East Skelly Drive, Suite 600
Tulsa, Oklahoma 74135
918.947.6300 Fax 918.794.3363



Mr. Phillip Goetze
State of New Mexico
Oil Conversation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Packer Exception

June 23, 2016

RE: West Dollarhide Queen Sand Unit Well No. 008
2,310' FNL-810' FEL
Section 30-T24S-R38E
Lea County, New Mexico
API # 30-025-12261

Dear Mr. Goetze,

I am writing to you to request an exception to the Underground Injection Control Program Manual 11.6C Packer setting depth rule for the above referenced well. Per our conversation I am sending the WBD and a copy of the approved Form C-103 for the work we have done so far on the well.

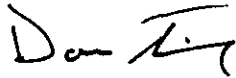
The WDQSU Well No. 008 is a water injection well. RAM Energy acquired the well from Chaparral Energy, L.L.C. effective November 5, 2014. It failed a Bradenhead test this year and RAM Energy was attempting to fix the well. This is the first time RAM tripped the tubing out of the well. On June 17, 2016 when we tripped the tubing out of the well we ruptured five joints of tubing while hydro testing the tubing. While tripping the tubing back in the hole the packer set down at 3,600' (111' above the top perforation). After several attempts to get thru the obstruction we laid one joint down and added a 12' tubing sub and set the packer 3,589' (122' above the top perforation). We loaded the casing annulus and pressure tested to 540 psi. We held the pressure for thirty minutes with no bleed off. We then contacted the NMOCD but could not get ahold of anybody so we rigged the rig down to wait on orders.

RAM is requesting that we are allowed to keep the packer set at 3,589' and put the well back in service after we re-run the Bradenhead test with the NMOCD field inspector out of Hobbs, New Mexico.

If there is any additional information you need please contact me at my office number at 918-947-6310 at extension 6310.

Thank you for your help.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Tierney". The signature is stylized with a large "D" and a long, sweeping horizontal line.

Don Tierney
Senior Operations Engineer

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3466
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources
CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
HOBBBS OCD
JUN 08 2016
RECEIVED

Form C-103
Revised July 18, 2013

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other Injector	7. Lease Name or Unit Agreement Name West Dollarhide Queen Sand Unit
2. Name of Operator Ram Energy LLC	8. Well Number 008
3. Address of Operator 6100 E. Skelly Dr., Suite 600 Tulsa, OK 74135	9. OGRID Number 309777
4. Well Location Unit Letter <u>H</u> : <u>2310</u> feet from the <u>North</u> line and <u>810</u> feet from the <u>East</u> line Section <u>30</u> Township <u>24S</u> Range <u>38E</u> NMPM <u>Lea</u> County <u>✓</u>	10. Pool name or Wildcat Dollarhide Queen Sand
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3164' GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☒ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Prepare to MIRU work over rig.

Determine why well failed Bradenhead test.

Repair as needed.

Field operations will be conducted using closed loop system.

Per Underground Injection Control Program Manual

11.6 C Packer shall be set within or less than 100

Spud feet of the uppermost injection perfs or open hole. Release Date:

Condition of Approval: notify

OCD Hobbs office 24 hours

prior of running MIT Test & Chart

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE CSwan TITLE Regulatory Administrator DATE 06/07/2016

Type or print name Connie Swan E-mail address: CSSwan@swanderlandok.com PHONE: 918 621-6533

For State Use Only

APPROVED BY: Mary Brown TITLE Dist Supervisor DATE 6/8/2016
Conditions of Approval (if any):

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

Form C-105
Revised 1-1-65

NEW MEXICO OIL CONSERVATION COMMISSION WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5a. Indicate Type of Lease
State ☐ Fee ☒
5. State Oil & Gas Lease No.

14. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER ☐
15. TYPE OF COMPLETION
NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ OTHER ☐

7. Unit Agreement Name

8. Part or Lease Name

Vance "30"

9. Well No.

1

10. Field and Pool, or Wildcat

W. Dollarhide/Devonian

1. Name of Operator

HNG Oil Company

2. Address of Operator

P. O. Box 767, Midland, Texas 79701

3. Location of Well

1/4 SECTION N LOCATED 430 FEET FROM THE South LINE AND 2210 FEET FROM

1/4 West LINE OF SEC. 30 TWP 24-S RGE. 38-E

11. County

Lea

16. Date Drilled 1-27-72 16. Date T.D. Reached 2-27-72 17. Date Compl. (Ready to Prod.) 3-11-72 18. Elevations (D.F., RKB, RT, GR, etc.) 3102' GL. 19. Elev. Casinghead -

20. Total Depth 7830' 21. Plug Back T.D. - 22. If Multiple Compl., How Many None 23. Intervals Drilled by Rotary Tools Cable Tools 0-7830' -

24. Producing interval(s), of this completion - Top, Bottom, Name 7718' - 7816' Devonian 25. Was Directional Survey Made No

26. Type Electric and Other Logs Run Sidewall Neutron Porosity, Dual Induction-Laterolog, Dipmeter Log 27. Was Well Cored No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	48#	592	17 1/2"	750 sx. Class "C" Neat	None
9 5/8"	40#	3830	12 1/4"	1450 sx. Incor	None
5 1/2"	17#	7830	8 3/4"	650 sx. HOWCO & 250 sx. Incor	None

LINER RECORD				TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET
None					2 3/8"	7507'
						7507'

31. Information Record (Interval, size and number)
7718' - 20'
7752' - 56'
7812' - 16'
4 - 0.4" O.D. Holes per interval
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
DEPTH INTERVAL
7718' - 7816'
AMOUNT AND KIND MATERIAL USED
Acidized w/7500 gals. 15% HCL
Acid

33. PRODUCTION

Date First Production 3-13-72 Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing Well Status (Prod. or Shut-in) Producing

Date of Test 3-14-72 Hours Tested 24 Choke Size 14/64 Prod'n. For Test Period 200 Oil - Bbl. 240 Gas - MCF 240 Water - Bbl. Tr. Gas - Oil Ratio 1200

Flow Tubing Press. 400 Casing Pressure 0 Calculated 24-Hour Rate 200 Oil - Bbl. 240 Gas - MCF 240 Water - Bbl. Tr. Oil Gravity - API (Corr.) 41.5 @ 60°

34. Disposition of Gas (Sold, used for fuel, vented, etc.) Vented Test Witnessed By Curtis Smith

35. List of Attachments Deviation Survey

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED Charles R. Jenkins TITLE Petroleum Engineer DATE 3-15-72

(Charles R. Jenkins)

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Commission not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

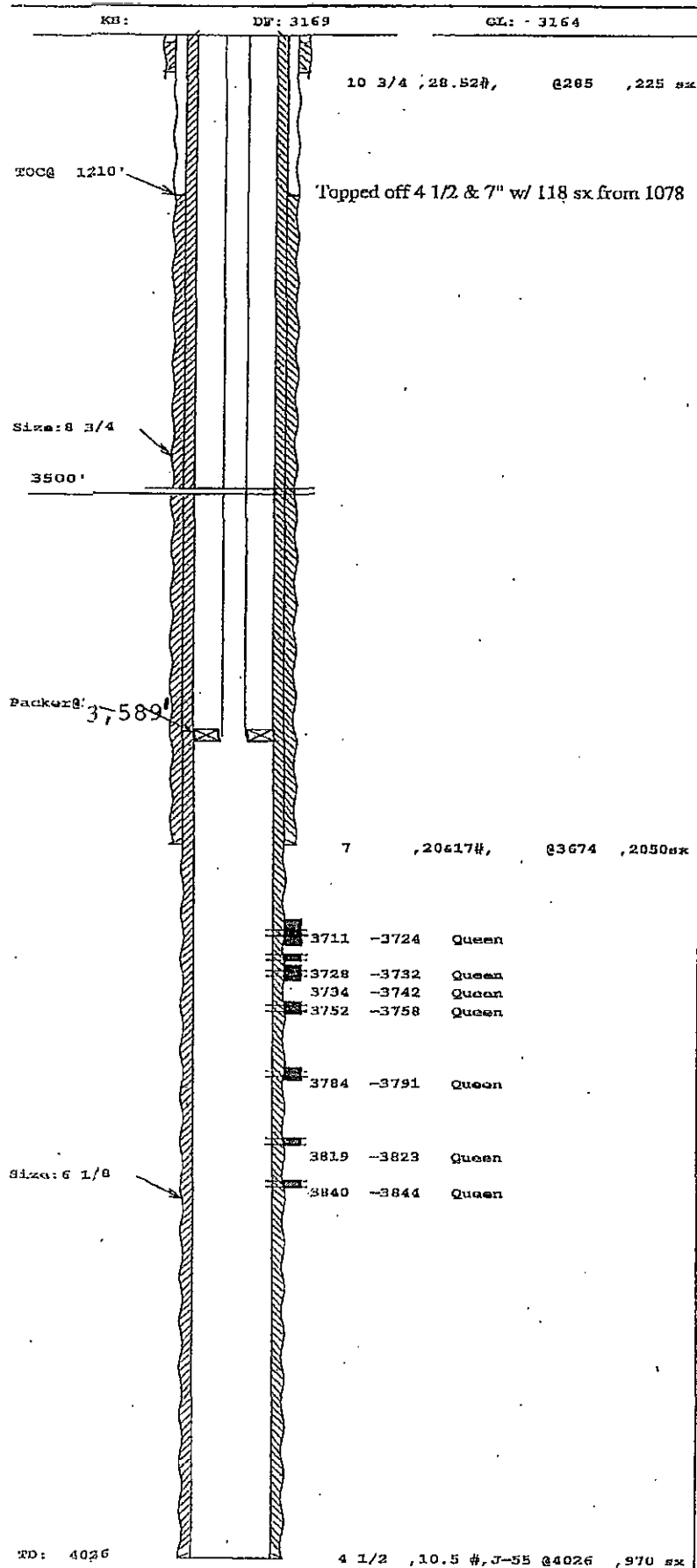
Southeastern New Mexico

Northwestern New Mexico

T. Anhy	1153'	T. Canyon	T. Ojo Alamo	T. Penn. "I3"
T. Salt		T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	2695'	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates		T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	3595'	T. Devonian	T. Menefee	T. Madison
T. Queen		T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg		T. Montoya	T. Mancos	T. McCracken
T. San Andres	3987'	T. Simpson	T. Gallup	T. Ignacio Qtzte
T. Glorieta		T. McKee	Base Greenhorn	T. Granite
T. Paddock		T. Ellenburger	T. Dakota	T.
T. Blinebry		T. Gr. Wash	T. Morrison	T.
T. Tubb	6004'	T. Granite	T. Todilto	T.
T. Drinkard		T. Delaware Sand	T. Entrada	T.
T. Abo	6620'	T. Bone Springs	T. Wingate	T.
T. Wolfcamp		T.	T. Chinle	T.
T. Penn.		T.	T. Permian	T.
T. Cisco (Bough C)		T.	T. Penn. "A"	T.

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
2695	3595	900	Yates				
3595	3987	392	Queen				
3987	6004	2017	San Andres				
6004	6620	614	Tubb				
6620	7440	820	Abo				
7440	7712	272	Woodford				
7715	7819	104	Devonian				



RAM Energy LLC

Well: NDQSU #8 , 68 , 4087.003#8
 Operator: CHLLC
 Location: Lea, NM
 Legal: Sec 30-25S-38E
 County: Lea, NM
 LAT/Long: /

Dir:

Spud Date: 10/29/87
 Drilling Finished:
 Completion Date: 11/17/87
 First Production:

HISTORY:

1954 - well completed OH 3674-3741'
 1987/88 - well deepened & 4.5" csg set @4026'
 4/1988 Start Inj 29-April-88. 400 BWPD @ 800# surface
 pres. permitted for 400 BWPD @ 850# 5/5/88

Input by:
 Approved by:
 Last Update:

Goetze, Phillip, EMNRD

From: Goetze, Phillip, EMNRD
Sent: Tuesday, March 25, 2014 12:52 PM
To: Billy Nievar
Cc: Kautz, Paul, EMNRD; Dickey, Sylvia, EMNRD; Ezeanyim, Richard, EMNRD; McMillan, Michael, EMNRD
Subject: West Dollarhide Queen Sand Unit - Packer Setting Depth Exceptions
Attachments: WDQSU No 21 _Packer Excp.pdf; WDQSU No 151_Packer Excp.pdf

Billy:

Per your request, I have reviewed Chaparral's correspondence dated February 27, 2014, regarding the location of packers for injection wells in the West Dollarhide Queen Sand Unit (WDQSU) Waterflood project. The letter provided information for packer locations in WDQSU Nos. 21, 36, 37, 151, and 133. All five wells were originally cited for having packers located greater than 100 feet from the top perforation of the injection interval. The results of the review are as follows:

1. Administrative orders (Packer Setting Depth Exceptions) were issued for WDQSU Nos. 21 (API 30-025-12270) and 151 (API 30-02530306). Copies of the orders are attached and will be placed in the well files.
2. For wells WDQSU Nos. 36 (API 30-025-12288) and 37 (API 30-025-12302), Chaparral provide well construction information that demonstrated that the packers were located within 100 feet of the top perforations. No administrative orders will be issued for these two wells unless field inspection by the District office finds evidence to the contrary.
3. For well WDQSU No. 133 (API 30-025-30355), Chaparral has indicated that the well will be worked over and placement of the packer will be dependent on obtaining a successful seal. Any issues regarding the setting depth will be resolved with the completion of a successful MIT following tubing and packer installation.

For the wells without an order, a copy of the Chaparral correspondence will be place in the appropriate well files. If you have any questions or need assistance regarding this matter, please contact me at your convenience. PRG

Phillip R. Goetze, P.G.
Engineering and Geological Services Bureau, Oil Conservation Division
1220 South St. Francis Drive, Santa Fe, NM 87505
O: 505.476.3466 F: 505.476.3462
phillip.goetze@state.nm.us

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



March 25, 2014

Mr. Billy Nievar, PE
Chaparral Energy LLC
701 Cedar Lake Blvd
Oklahoma City, OK 73114

RE: Packer Setting Depth Exception

Injection Authority: Division Order R-2356 and Amended Administrative Order
WFX-570; West Dollarhide Queen Sand Unit Waterflood project

Pool: Dollarhide Queen pool

West Dollarhide Queen Sand Unit Well No. 21

API 30-025-12270

Unit M, Sec 30, T24S, R38E, NMPM, Lea County, New Mexico

Mr. Nievar:

Reference is made to your request on behalf of Chaparral Energy LLC (OGRID 4115; "Chaparral") received by the Division on March 10, 2014, for the above named well. Chaparral applied for exception for setting the packer within 100 feet of the top of the approved injection interval.

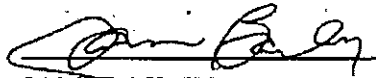
It is our understanding that mechanical integrity testing conducted on this well following the replacement of tubing and packer system was only successful with the packer set at a depth of 3560 feet. This location of the packer is approximately 106 feet above the top perforation for the injection interval that begins at 3566 feet. The approved injection interval is from 3666 feet to 3827 feet.

For the reasons stated in the application and because it appears that correlative rights are protected, waste will not occur and this modification will not endanger any fresh water aquifer or the environment, the exception is granted. The packer location within this well shall not be set higher than 106 feet unless the operator receives written approval from the Division Director.

Packer Setting Depth Exception
Chaparral Energy LLC
March 25, 2014
Page 2 of 2

The Division Director may rescind this exception if it becomes apparent that the injected fluid is not being confined to the permitted interval or is endangering any fresh water aquifer.

Sincerely,



JAMI BAILEY
Director

JB/prg

cc: Oil Conservation Division – Hobbs Office
Administrative Order WFX-570
Well File API 30-025-30306
United States Bureau of Land Management – Carlsbad Office

Billy W. Nievar P.E.
Chaparral Energy LLC
701 Cedar Lake Blvd
Oklahoma City, Oklahoma 73114

February 27, 2014

Mr. Phillip Goetz
Oil Conservation Division
Energy Minerals and
Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

RE: Letter of Violation Dated (10-Oct-13)

Dear Mr. Goetz:

Chaparral Energy received the referenced letter of violation and has prepared a response for parts of the letter. This letter deals with the Packer setting depths for West Dollarhide Queen Sand Unit (WDQSU) Wells No. 021, 036, 037, 151 and 133.

West Dollarhide Queen Sand Unit No. 021. M-30-245-38E 30-025-12270

****Packer Setting depth 106' above top perf. ***Operator in Violation of NMOCD Permit order WFX-570*** Operator must seek Approval from Phillip Goetz – OCD Santa Fe Prior to setting Packer more than 100' above top perf*****

Response: In February 1997 this well was placed in Temporary Abandonment Status by setting a CIBP at 3,600'. In April 2010 Chaparral was required to remove the well from TA status. Usually it takes two to three days of work to remove the CIBP and run the injection tubing and packer. Due to down hole well conditions this well took 8 days of time. We had difficulty in locating a packer seat. Well records show this well has 7.0" casing cemented up to 720' and 4-1/2" casing cemented to surface inside the 7.0" casing. On April 20, 2010 we had set the packer at 3,583' and did a 500 psi annulus pretest. On April 21, 2010 we placed packer fluid in the annulus flanged up the well and the annulus leaked. We tested at 61' higher and had a leak. Pulled 10' higher and it held. We had to use tubing subs to keep the packer at this depth. This ended up with the packer at 3,560'. The top perforation is at 3,666'. The annulus tested ok on April 21, 2010 with the packer set at 3,560'. Due to the well conditions Chaparral requests that NMOCD grant approval of setting the injection packer more than 100' above the top perforation. See (Attachment A) attached well bore schematic and Well History.

RECEIVED
2014 MAR 10 P 1:59

West Dolarhide Queen Sand Unit No. 036. I-31-245-38E 30-025-12288

****Packer Setting depth 132' above top perf. ***Operator in Violation of NMOCD Permit order WFX-570*** Operator must seek Approval from Phillip Goetz – OCD Santa Fe Prior to setting Packer more than 100' above top perf*****

Response: It appears the previous wellbore schematic with a packer setting depth of 3,442' is in error. The correct setting depth should be 3,478.25'.

This well was drilled and completed in November 1952. 7.0" casing was set at 3,670' and cemented with 1,400 sx cement. In 1988 the well was deepened to 3,969', 4-1/2" casing was then run and cemented to surface at 3,950'. After the workover the top perforation was placed at 3,574'. When the well was initially placed on injection in 1988 the injection packer was placed at 3,472'. In a workover conducted by Oxy in March 1993 the packer was set with 113 joints at 3511.08. Chaparral has worked on the well one time since it was placed on injection. In June 2008 a tubing leak developed in the injection string. Thus a workover was required to repair the well. During the workover the 4-1/2" casing collapsed at the surface, right under the wellhead. The 4-1/2", 7.0" and 9-5/8" casings were all repaired during the workover. One joint of injection tubing was removed that had a hole in the tubing. 112 jts injection tubing and the packer were run back into the well and set at 3,478'. This places the packer 96' above the top injection perforation.

This setting depth was determined after a diligent search of the well file. A tubing detail of the injection tubing was located for the March 1993 workover conducted by Oxy. From this information and the workover conducted by Chaparral in 2008 we were able to determine the proper setting depth of the packer. The depth was determined by averaging the joint tally as listed in the Oxy March 25, 1993 workover report. Thus using an average of 30.95' for each joint of tubing and having one joint removed. Chaparral ran 112 jts in the well on June 6, 2008. Then adding the length of the Seating Nipple 1.10' the Packer of 2.75' and Kelly bushing depth of 8.00' totals up to 3,478.25'. This depth places the packer within 96' of the top perforation. See (Attachment B) attached well bore schematic and Well History. Thus with this additional information WDQSU No. 36 should not be in Violation of NMOCD Permit Order WFX-570.

West Dolarhide Queen Sand Unit No. 037. L-32-245-38E 30-025-12302

****Packer Setting depth 117' above top perf. ***Operator in Violation of NMOCD Permit order WFX-570*** Operator must seek Approval from Phillip Goetz – OCD Santa Fe Prior to setting Packer more than 100' above top perf*****

Response: This well was initially drilled and completed in April and May of 1953. 7.0" casing was set at 3,662' and cemented with 200 sx cement. In March 1974 the well was plugged and abandoned. In

March 1981 the well was washed down to 1313' and the well replugged. In August 1989 the well was reentered and deepened to 3,900', 4-1/2" casing was then run and cemented to surface at 3,900'. After the workover the top perforation was set placed at 3,570'. In May 1997 a CIBP was set in the 4-1/2" casing at 3,690'. The last data in the well file indicates the injection packer is set at 3,494'. This places the packer only 76' above the top injection perforation. It appears the Chaparral wellbore schematic is in error. An updated wellbore schematic is attached see (Attachment C).

West Dollarhide Queen Sand Unit No. 151. M-29-24S-38E 30-025-30306

****Packer Setting depth 119' above top perf. ***Operator in Violation of NMOCD Permit order WFX-570*** Operator must seek Approval from Phillip Goetz – OCD Santa Fe Prior to setting Packer more than 100' above top perf*****

RESPONSE: This well was drilled by Sirgo Operating Inc. The well was spud on July 24, 1989. The well was drilled to a TD of 3,940'. On July 29, 1989 5-1/2" casing was run and set at 3,940' and cemented to surface with 1000 sx of cement. On August 14, 1989 2-3/8" injection tubing was run in the well and a packer was set at 3,537.8'. Since that time the well has not been pulled or worked on. This packer has been in this position before Chaparral became operator of the WDQSU in November 1, 2003.

It is possible to perform a workover and remove the tubing and packer. Chaparral could attempt to find a packer seat 20' deeper than the packer is located at however, experience in the field has taught us that corrosion can be a problem and could make it difficult in locating a packer seat at a deeper depth.

Due to the well conditions Chaparral requests that NMOCD grant approval of setting the injection packer more than 100' above the top perforation. See (Attachment D) attached well bore schematic and Well History.

West Dollarhide Queen Sand Unit No. 133. D-31-24S-38E 30-025-30355

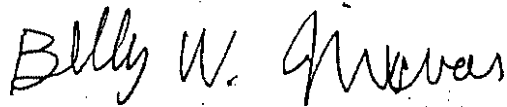
LAST INJECTION 12/2012: SHUT IN/TA EXPIRED 2007; NO REPORT ON FILE TO DETERMINE STATUS CHANGE OF WELL; TA'D 2006 TBG/PKR IN HOLE; *Operator in Violation of NMOCD Rule 19.15.25.12 (APPROVED TEMPORARY ABANDONMENT) ***** UPON WORKOVER OPERATOR MUST SET PACKER ACCORDING TO OCD PERMIT WFX-570 – NOTE – IF PACKER CANNOT BE SET ACORDINGLY, OPERATOR MUST CONTACT OCD SANTA FE PHILLIP FOR PACKER SETTING APPROVAL.**

RESPONSE: The WDQSU No. 133 was spud on February 3, 1990. 5-1/2" casing was run and cemented at 3,950' 850sx. Cement did not circulate. 1,036' of 1" tubing was run outside of the 5-1/2" casing and Cmt'd to surface w/170 sx. The well was completed in February 1990 as an injection well with the packer set at 3,558.04. The top perf is at 3,678'. This places the packer 119' above the top perforation. From Chaparrals records it appears that once the well was placed on injection in February 1990 it has

never been pulled apart. Chaparral took over operations of the WDQSU on November 1, 2003. The well was placed on Temporary Abandonment Status from Jan 24, 2007 to Jan 24, 2008. Chaparral has tested the flow line to the well and it is in working condition. Chaparral has also noticed that the well appears to have a tubing leak. Chaparral is preparing 3160-5 forms for the BLM to repair this well. During the workover Chaparral will make an attempt to set the packer within 100' of the top perforation, test the annulus and see if the annulus will hold. If the annulus will not hold due to rough casing within 100' of the top perforation Chaparral will have to move the packer to a location where the annulus will hold. Chaparral will not know this until work begins on the well. After the well is repaired and the Mechanical Integrity Testing is complete and approved Chaparral would like to return the well to active injection. See (Attachment E) attached well bore schematic and Well History.

The five question and response scenarios listed above deal directly with the letter of violation referenced above. Hopefully this information will successfully answer the questions raised in the letter of violation. If you have further questions please feel free to contact me at 405-426-4040. Also a response to Chaparral from the State of New Mexico is requested regarding these responses.

Sincerely,

A handwritten signature in cursive script that reads "Billy W. Nievar". The signature is written in dark ink and is positioned above the printed name.

Billy W. Nievar P.E.

KB: 3180.5

DF:

GL: 3169

Chaparral Energy, L.L.C.

Well: West Dollardhide QSU ,151 ,4087.08

Operator: CELLC

Location: 429 PSL 550 FWL

Legal: Sec 30 T24S R 38E

County: Lea, NM

LAT/Long: 75 /

Dir:

Spud Date: 7-24-89

Drilling Finished: 7-28-89

Completion Date: 8-16-89

First Production:

TUBING #1:

Type	#Jts	Size	Wt#/2	Grade	Set8
Production		2-3/8"	4.7		3537.8

HISTORY:

Attachment D

Input by: Zac Stice

Approved by:

Last Update: 4/18/2007

Size: 12-1/4

8-5/8" ,24 #,J 8416 ,250 ex

Packer 3537.8

3600'

AD 1

Size: 7-7/8"

3656 -3660 Queen 3

3667 -3682 Queen 3

3688 -3715 Queen 3

3722 -3729 Queen 3

3748 -3750 Queen 3

3755 -3757 Queen 3

3760 -3761 Queen 3

3764 -3766 Queen

3779 -3789 Queen 3

3803 -3808 Queen 3

OFBTD: 3900'

TD: 3940

5-1/2" ,15.5 #,J 83940 ,1000 ex

29

WELL HISTORY

7-10-89 Take down fence on front side of pit and lay water line.

7-20-89 Re-condition location and pits.

7-21-89 Take delivery of 405.30' of 8-5/8" csg. and inj. Well head.

7-24-89 Spud well. Drill to 416'. Ran 11 jts of 8-5/8" csg to 416'. Cmt w/ 250 sx class "C" cmt. Circ 100 sx

7-25-89 1747'. Made 1331' in 13.75 hours. WOC & test BOP & csg to 800# for 30 min-okay.

7-26-89 3005' made 1258' in 22.5 hrs.

7-27-89 3380'. Made 375' in 10.5 hrs

7-28-89 3940' TD. Made 560' in 18 hrs. Started running 5-1/2" csg

7-29-89 Ran 112 jts of 5-1/2" csg. to 3940'. Displace csg. cmt w/Western 800 sx. Lite and tail w/200 sx. Class "C". Circ 190 sx. ND BOP, set slips and cut off csg.

8-4-89 Roustabout crew moved tbq from #137 to #151. Put wellhead on csg. Transport picked up oil & water from location. Set dead man anchors.

8-7-89 MIRU pulling unit. Tally and RIH w/2-7/8" workstring. Tag PBTD @ 3900'. POH w/tbg and RU wireline and log well. CNI, GR from TD-2000'. GR, CBL, CCL from TD to surface. SION. Load hole w/PW.

8-8-89 RU and perf lower Queen formation from 3748-50', 55-57', 60-61', 64-66', 79-89', 3803-3808'. RD perf. SION

8-9-89 RIH w/2-7/8" x 5-1/2" treating pkr and tbg. RU and spot acid @ 3808'. PU and set pkr @ 3645' and acidize w/2000 gal 15% HCL-NEFE inhibited acid w/ clay stabilizer. Block w/1.3 SG ball sealers (12 balls/ 3 bbls). Flush to bottom perfs w/PW. Avg rate 4.7 BPM. Avg press. 1700#, ISIP 1100#, 5 min 1050#, 10 min 1000#, 15 min 900#. Total load to rec is 96 bbls. SI for 30 min. Open well up and bleed pressure. RU and swab back load. Open bypass on pkr. Swab well dry. POH w/pkr and tbg. Install safety valve and SION.

8-10-89 RU and perf Upper Queen zone from 3658-60', 67-82', 88-3715', 22-29' 3 SPF 4" guns 171 holes. RIH and set RBP @ 3740'. PU and set pkr @ 3554'. Test to 1500# -okay. RU and acidize w/ 3500 gal 15% HCL-NEFE acid w/clay stabilizer. Blocking w/216 per gal rock salt & 170 ball sealers (5 balls/ 2bbs). Avg rate 4 BPM, avg pressure 1400#. Flush to bottom perf w/ PW total fluid rec 151 bbls. ISIP 1100#, 5 min 1050#, 10 min 1000#, 15 min 975#. Had good block action. SI 30 min Open and bleed down. SION

8-11-89 Continue swabbing. RIH w/ tbg. Tag fill. RU kill truck and circ off ball sealers. Latch onto RBP & unset. POH and LD tbg a& treating tools. Install safety valve and SION. Empty working pit into reserve.

8-14-89 RIH w/2-3/8" x 5-1/2" A-1 tension pkr and 112 jts of 2-3/8" IPC tbg. RU kill truck and pump 100 bbls fresh water w/1 drum of pkr fluid. Set pkr @ 3537.81'. Load and test csg to 500# for 30 min. NU inj wellhead. Complete inj line and tie in. SION

8-15-89 Repair inj leaks & hook up inj line. Test line and back @ location. Start injecting w/ 250 BPD @ 500# pressure.

8-16-89 Injecting 333 BPD/900#.

8-14-11 Found leak in inj line @ header in satellite #2. PU loose fluids w/vacuum truck.

8-15-11 Dug up & replaced vic clamp. Tapped & protected new clamp. Returned to inj. Went to WH, cleaned 1" connection & re-tightend. Now taking fluid @ 1150#. Cleaned up satellite w/backhoe.

Goetze, Phillip, EMNRD

From: Don Tierney <dtierney@ramenergy.net>
Sent: Thursday, June 23, 2016 12:58 PM
To: Goetze, Phillip, EMNRD
Subject: RAM Energy
Attachments: Letter to NMOCD.pdf

Phillip,

I spoke with you yesterday about getting an amendment to the packer setting depth for Rams West Dollarhide Queen Sand Unit Well No. 008. I have attached a letter asking for the packer depth exception, a well bore diagram and the C-103 for the work to be done. If there is any additional information you need, please contact me at any of the phone numbers listed below.

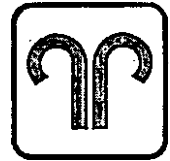
Thanks for your help,

Don Tierney
Sr. Operations Engineer
RAM Energy LLC
5100 East Skelly Drive
Suite 600
Tulsa, OK 74135
918.947.6310 (Direct)
918.497.0237 (Cell)
918.794.3363 (Fax)
dtierney@ramenergy.net



RAM Energy LLC

5100 East Skelly Drive, Suite 600
Tulsa, Oklahoma 74135
918.947.6300 Fax 918.794.3363



Mr. Phillip Goetze
State of New Mexico
Oil Conversation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

June 23, 2016

RE: West Dollarhide Queen Sand Unit Well No. 008
2,310' ENL-810' FEL
Section 30-T24S-R38E
Lea County, New Mexico
API # 30-025-12261

Dear Mr. Goetze,

I am writing to you to request an exception to the Underground Injection Control Program Manual 11.6C Packer setting depth rule for the above referenced well. Per our conversation I am sending the WBD and a copy of the approved Form C-103 for the work we have done so far on the well.

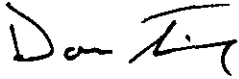
The WDQSU Well No. 008 is a water injection well. RAM Energy acquired the well from Chaparral Energy, L.L.C. effective November 5, 2014. It failed a Bradenhead test this year and RAM Energy was attempting to fix the well. This is the first time RAM tripped the tubing out of the well. On June 17, 2016 when we tripped the tubing out of the well we ruptured five joints of tubing while hydro testing the tubing. While tripping the tubing back in the hole the packer set down at 3,600' (111' above the top perforation). After several attempts to get thru the obstruction we laid one joint down and added a 12" tubing sub and set the packer 3,589' (122' above the top perforation). We loaded the casing annulus and pressure tested to 540 psi. We held the pressure for thirty minutes with no bleed off. We then contacted the NMOCD but could not get ahold of anybody so we rigged the rig down to wait on orders.

RAM is requesting that we are allowed to keep the packer set at 3,589' and put the well back in service after we re-run the Bradenhead test with the NMOCD field inspector out of Hobbs, New Mexico.

If there is any additional information you need please contact me at my office number at 918-947-6310 at extension 6310.

Thank you for your help.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Tierney". The signature is stylized with a large "D" and a long, sweeping horizontal line.

Don Tierney
Senior Operations Engineer

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Form C-103
Revised July 18, 2013

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> Injector	WELL API NO. 30-025-12261 Federal
2. Name of Operator Ram Energy LLC	5. Indicate Type of Lease BLM <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
3. Address of Operator 6100 E. Skelly Dr., Suite 600 Tulsa, OK 74135	6. State Oil & Gas Lease No.
4. Well Location Unit Letter H : 2310 feet from the North line and 810 feet from the East line Section 30 Township 24S Range 38E NMPM Lea County	7. Lease Name or Unit Agreement Name West Dollarhide Queen Sand Unit
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3164' GR	8. Well Number 008
	9. OGRID Number 309777
	10. Pool name or Wildcat Dollarhide Queen Sand

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☒ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Prepare to MIRU work over rig.

Determine why well failed Bradenhead test.

Repair as needed:

Field operations will be conducted using closed loop system.

Per Underground Injection Control Program Manual

11.6 C Packer shall be set within or less than 100

Spud feet of the uppermost injection perfs or open hole. Release Date:

Condition of Approval: notify

OCD Hobbs office 24 hours

prior of running MIT Test & Chart

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

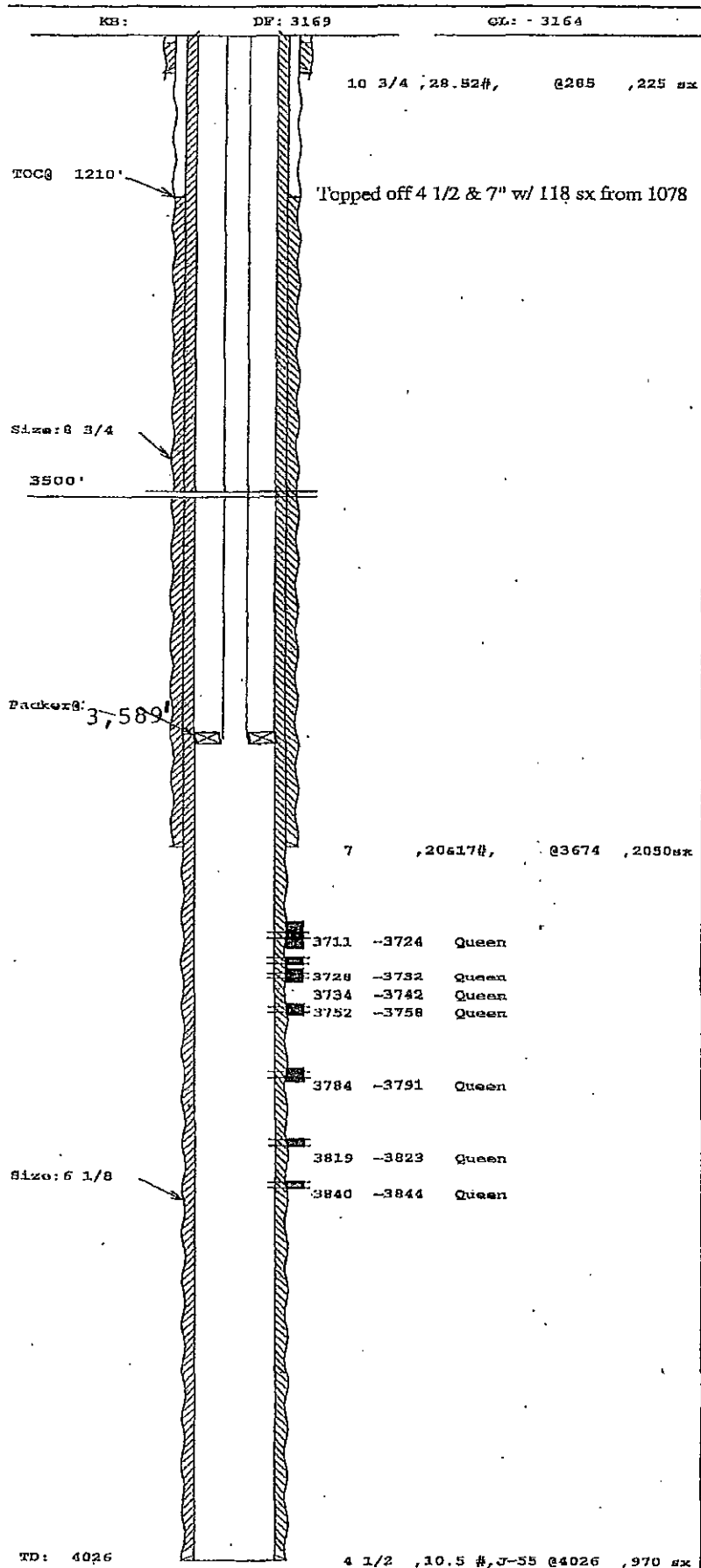
SIGNATURE CSwan TITLE: Regulatory Administrator DATE 06/07/2016

Type or print name Connie Swan E-mail address: CSSwan@swanderlandok.com PHONE: 918 621-6533

For State Use Only

APPROVED BY: Mary Brown TITLE: Dist Supervisor DATE 6/8/2016

Conditions of Approval (if any):



RAM Energy LLC

Well: WQSQ #8 , #8 , 4087.003#8
 Operator: CELLC
 Location: Lea, NM
 Legal: Sec 30-25S-38E
 County: Lea, NM
 LAT/Long: /

Dir:

Spud Date: 10/29/87
 Drilling Finished:
 Completion Date: 11/17/87
 First Production:

HISTORY:

1954 - well completed OH 3674-3741'
 1987/88 - well deepened & 4.5" csg set @4026'
 4/1988 Start Inj 29-April-88. 400 BWPD @ 800# surface
 prcs. permitted for 400 BWPD @ 850# 5/5/88

Input by:
 Approved by:
 Last Update:

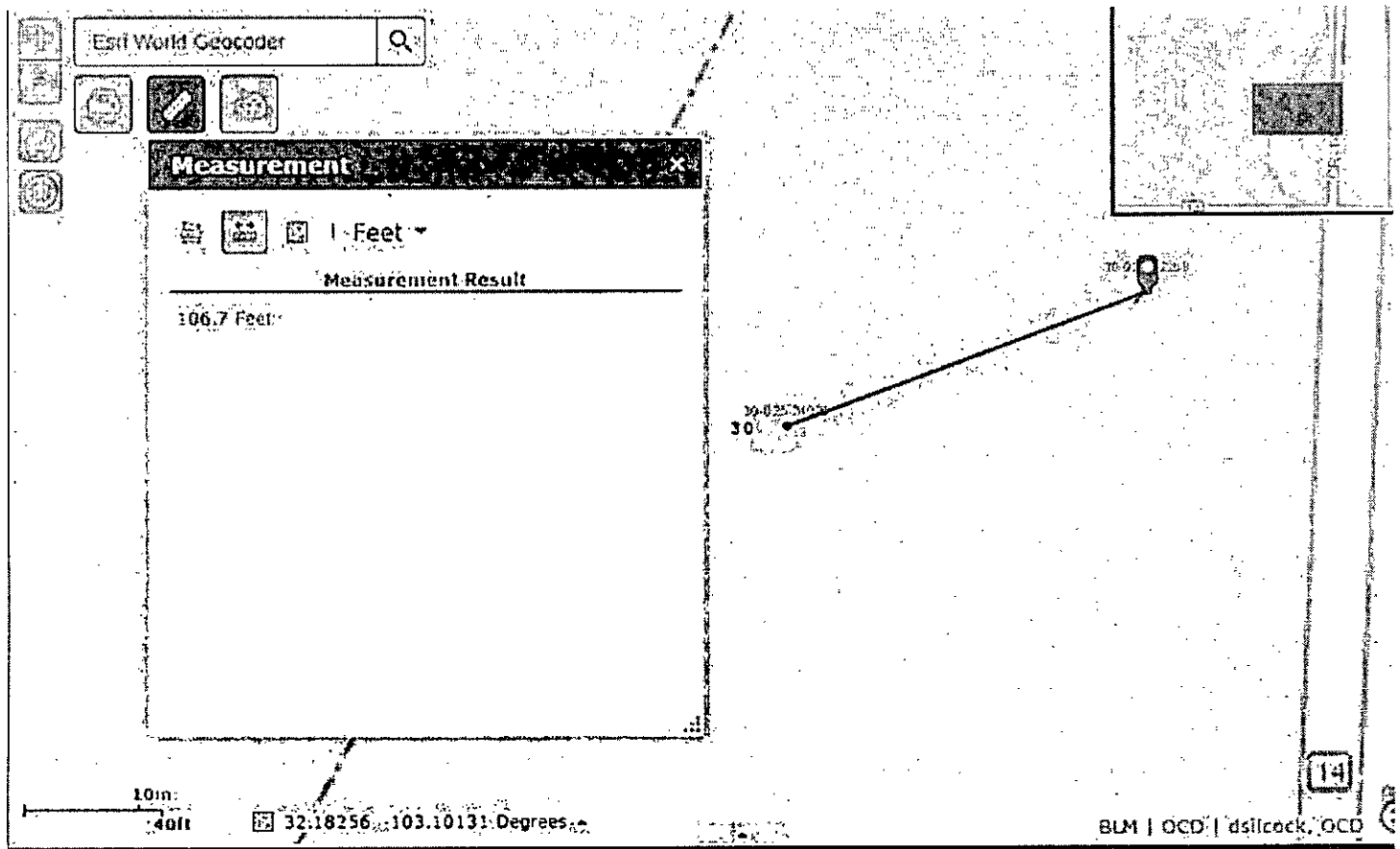
Goetze, Phillip, EMNRD

From: Travis White <TWhite@whiterockog.com>
Sent: Monday, November 16, 2015 11:36 AM
To: Goetze, Phillip, EMNRD
Subject: White Rock Oil & Gas, LLC - Offset Injection Well

Mr. Goetze,

N/30/24S 38E 430 FSL/2210 FWL

It was a pleasure speaking with you earlier. Per our conversation on the phone, I'm contacting you in regard to our Vance 30-1 (API # 30-025-24020) well which is seeing bradenhead pressure caused by the offset injection well shown below:



Here is the pertinent information for the injection well in question:

Well Summary**Report a Problem**

API:	30-025-12268	Old API:	
Current Lease Name:	WEST DOLLARHIDE QUEEN SAND UNIT		
Well #:	020		
County:	LEA		
Survey:	S:30, T:24S, R:38E		
Footage Information:	467' FSL & 2,310' FWL		
Well Name:	WEST DOLLARHIDE QUEEN SAND UNIT 020		
Current Operator:	RAM ENERGY LLC		
Spudded:			
Current Type:	Injector	Current Status:	Injection Well
Total Depth:	3,918	Total Depth Source:	Well Log
Elevation:	3,109	Reference:	GF
<u>Operator History</u>			
<u>Related DI Super Scout Information</u>			

We are concerned about potential liability should this pressure cause a casing leak in our well. We appreciate the OCD's understanding and hope to hear back from you soon in regard to this matter.

Also, I was wondering which day would work best for you if I were to come out there and meet in person. I am free to get out there Wednesday 11/18, Friday 11/20, or Tuesday 11/24. Just let me know what works best for you.

Thanks,

Travis White

Regulatory Analyst

White Rock Oil & Gas

5001 Spring Valley Rd., Ste 100 E

Dallas, TX

Direct: 214-981-1424

TWhite@whiterockog.com



RAM Energy LLC

5100 East Skelly Drive, Suite 600
Tulsa, Oklahoma 74135
918.947.6300 Fax 918.794.3363



RECEIVED OGD

2016 JUL -1 P 2: 55

Mr. Phillip Goetze
State of New Mexico
Oil Conversation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

June 23, 2016

RE: West Dollarhide Queen Sand Unit Well No. 008
2,310' FNL-810' FEL
Section 30-T24S-R38E
Lea County, New Mexico
API # 30-025-12261

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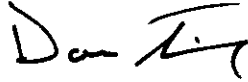
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Don Tierney
Senior Operations Engineer

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State of New Mexico
Energy, Minerals and Natural Resources

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-103

Revised July 18, 2013

HOBBS OCD
JUN 08 2016
RECEIVED

WELL API NO. 30-025-12261
5. Indicate Type of Lease BLM STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name West Dollarhide Queen Sand Unit
8. Well Number 008
9. OGRID Number 309777
10. Pool name or Wildcat Dollarhide Queen Sand
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TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
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CLOSED-LOOP SYSTEM ☐
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COMMENCE DRILLING OPNS. ☐ P AND A ☐
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OCD Hobbs office 24 hours

prior of running MIT Test & Chart

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE CSwan TITLE Regulatory Administrator DATE 06/07/2016

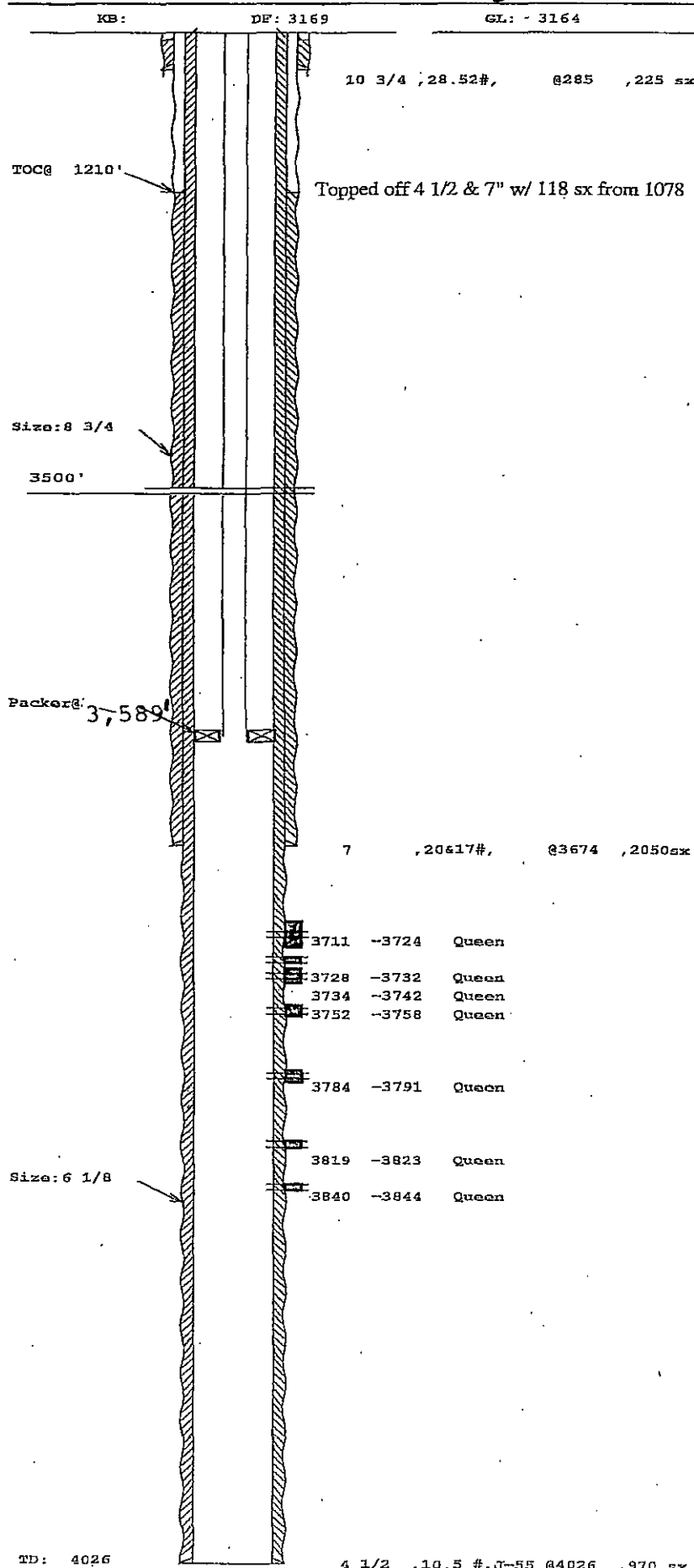
Type or print name Connie Swan E-mail address: CSSwan@swanderlandok.com PHONE: 918 621-6533

For State Use Only

APPROVED BY: Mary Brown TITLE Dist Supervisor DATE 6/8/2016

Conditions of Approval (if any):

"Revised"



RAM Energy LLC

Well: WQSU #8 , #8 , 4087.003#8
 Operator: CELLC
 Location: Lea, NM
 Legal: Sec 30-25S-38E
 County: Lea, NM
 LAT/Long: /

Dir:

Spud Date: 10/29/87
 Drilling Finished:
 Completion Date: 11/17/87
 First Production:

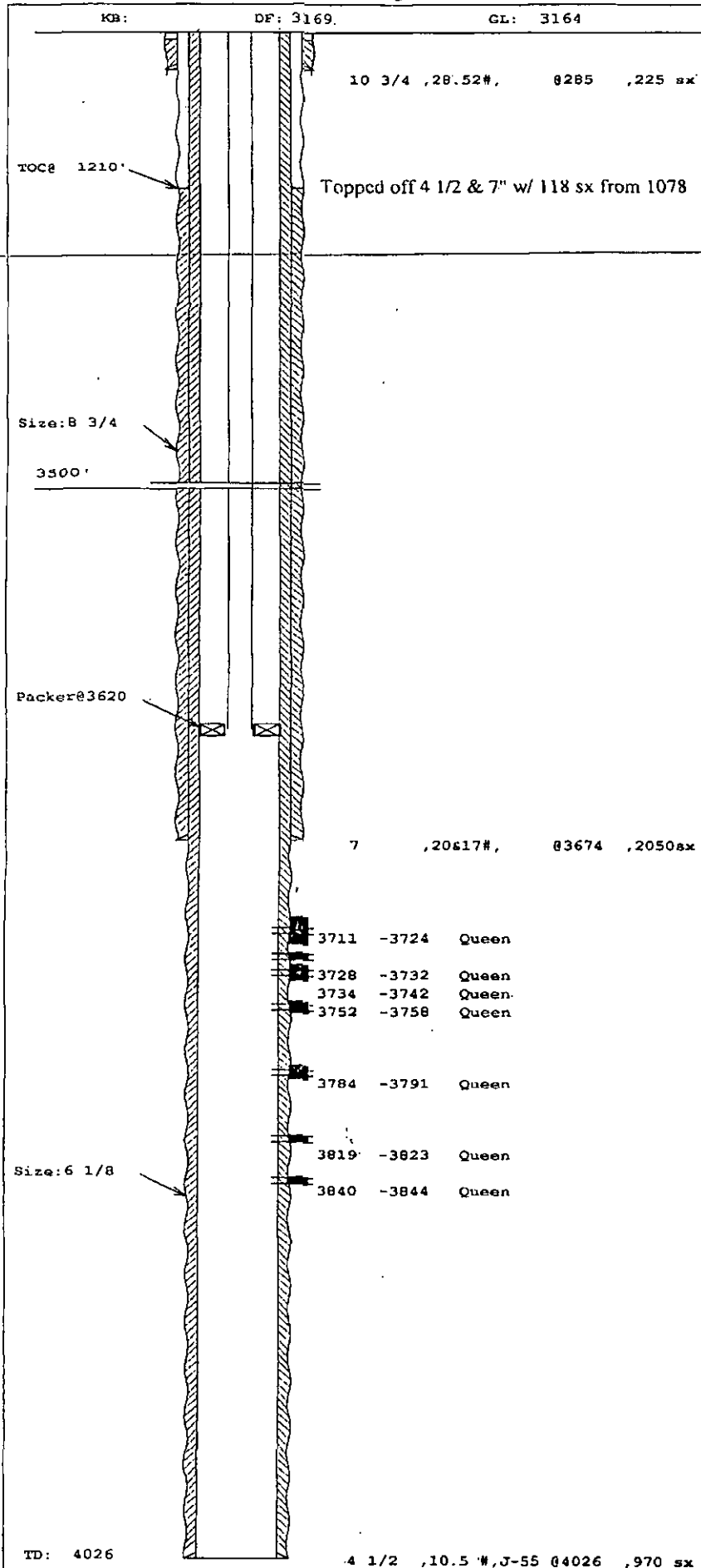
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 1987/88 - well deepened & 4.5" csg set @4026'

4/1988 Start Inj 29-April-88. 400 BWPD @ 800# surface
 pres. permitted for 400 BWPD @ 850# 5/5/88

Input by:
 Approved by:
 Last Update:

010



Chaparral Energy, L.L.C.

Well: WDQSU #8, #8, 4087.00
 Operator: CELLC
 Location: Lea, NM
 Legal: Sec 30-25S-38E
 County: Lea, NM
 LAT/Long: /

Dir:

Spud Date: 10/29/87
 Drilling Finished:
 Completion Date: 11/17/87
 First Production:

TUBING #1:

Type	#Jts	Size	Wt#/f	Grade	Set@
IPC w/ TK69	116	2 3/8	4.7		3620

HISTORY:

1954 - well completed OH 3674-3741'
 1987/88 - well deepened & 4.5" csg set @4026'
 4/1988 Start Inj 29-April-88. 400 BWPD @ 800#-surface
 pres. permitted for 400 BWPD @ 850# 5/5/88

Input by: Traci
 Approved by:
 Last Update: 04/08/10