

Mr. Randy Hogan
Production Superintendent
Cimarex Energy Company
600 N. Marienfeld St.
Suite 600
Midland, Texas 79701

15 September 2008

Mr. Mike Bratcher
OIL CONSERVATION DIVISION
1301 West Grand Avenue
Artesia, NM 88210

Re: Wersell Federal No. 2 SWD Brine Spill *Final Remediation Plan* (API No. 30-015-24845)
U/L D S4 T22S R27E

Dear Mr. Bratcher:

Cimarex Energy Company of Colorado (Cimarex) discovered a brine spill with trace hydrocarbons at the Wersell Federal No. 2 SWD location resulting from the steel line which runs from the Wersell Federal No. 2 well to the SWD injection point developing a relatively small corroded area (approximately 3.81cm to 5.08cm) on its southerly surface which eventually became thin enough such that it could not sustain the inline pressure resulting in a leak and an unknown volume loss of brine water subsurface.

A review of the remedial action taken is as follows: (1) The Triplex pump was shut down and the valve closed on the injection line leading to the SWD on Sunday, 9 March at approximately 0700 Hours; (2) On Monday, 10 March direct communication was initiated with Mike Bratcher, (NMOCD) to ascertain and delineate infield conditions, which mandated immediate removal to disposal of the saturated materials in the area to prevent further spreading of the spill into unaffected areas; and (3) The point of discharge of the spill occurred approximately 35 feet due east of the wellhead. Due to the size of the area, there was no room for storage on location. Haulage of contaminated materials ran for 4 days resulting in a total of 1,815 tons disposed of at Lea Land, Inc.. Contact was again made with NMOCD and sampling initiated to clear the area, although infield sampling had been engaged during the haul off process to determine excavation limits and coordinate infield operations.

Predicated on (1) the quantity of material removed, (2) type of soil in the area, (3) the local topographic relief which approximately averages a 3:1 toward the location and (3) the geographic location of the Wersell close to housing and immediately adjacent to Hwy. 62/180, Cimarex felt it mandatory to restructure the location so that in the event of future unavoidable spills, the discharge would be contained on location. This was only recently completed due to engineering reviews associated with the project. Subsequently, an additional 800 yards of material, (in addition to the contaminated soils removed), was brought to location to allow for the restructuring.

From the onset of this remediation and restructuring, communication was established with NMOCD predicated on infield sampling analyses, which demonstrate regulatory Performa has been met. NMOCD cleared the location for application of the backfill material as described above. As a part of the *Final Remediation Report*, the repair of the steel injection line was replaced and maintained surficially such that leaks can be immediately detected.

Should you have questions please call 432-571-7800 (office).

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Hogan", with a long horizontal flourish extending to the right.

Randy Hogan
Production Superintendent

Enclosed: Final C-144, Laboratory Analyticals

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

Energy Minerals and Natural Resources

Revised October 10, 2007

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

Initial Report ☒ Final Report

Name of Company: Cimarex Energy Company of Colorado	Contact: Aaron Hamilton
Address: 600 N. Marienfeld, Suite 600, Midland, TX 79701	Telephone No.: 432-571-7800
Facility Name: Wersell Federal No. 2 SWD	Facility Type: SWD (injection)

Surface Owner: Bureau of Land Management	Mineral Owner: Bureau of Land Management	Lease No.: NM-45018
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LOCATION OF RELEASE

Unit Letter D	Section 4	Township 22S	Range 27E	Feet from the 660'	North/South Line FNL	Feet from the 660'	East/West Line FWL	County Eddy
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Latitude _____ Longitude _____

NATURE OF RELEASE

API NO.: 30-015-24845

Type of Release: Brine Water	Volume of Release: Unknown	Volume Recovered: 1,170 bbls.
Source of Release: Eroded injection line coming from the Triplex pump that services the Wersell Federal No. 2 well leaked subsurface.	Date and Hour of Occurrence: Unknown	Date and Hour of Discovery: 9 March 2008 Approx. 0652 Hours
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Recorded on call line (Sunday). Richard Inge called back on Monday morning.	
By Whom? Manuel Cabezucla	Date and Hour: 9 March 2008 (Sunday)	Approx. 1000 Hours
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

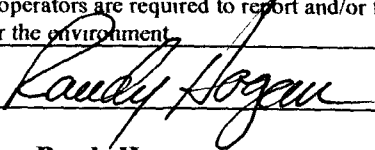
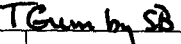
Describe Cause of Problem and Remedial Action Taken.*

Refer to *Corrective Action Plan* for details. Summary follows:

The steel line which runs from the Wersell Federal No. 2 well to the SWD injection point developed a relatively small corroded area (approximately 3.81cm to 5.08cm) on its southerly surface which eventually became thin enough such that its inline pressure could not be supported resulting in an unknown volume loss of brine water subsurface.

Describe Area Affected and Cleanup Action Taken.* The remedial action taken was as follows: (1) The Triplex pump was shut down and the valve closed on the injection line leading to the SWD on Sunday, 9 March at approximately 0700 Hours; and (2) on Monday, 10 March direct communication was initiated with Mike Bratcher, (NMOCD) to ascertain and delineate infield conditions, which mandated immediate removal to disposal of the saturated materials in the area to prevent further spreading of the spill into unaffected areas. Due to the size of the area, there was no room for storage on location. Haulage of contaminated materials ran for 4 days resulting in a total of 1,815 tons disposed of at Lea Land, Inc. Contact was again made with NMOCD and sampling initiated to clear the area, although infield sampling had been engaged during the haul off process to determine excavation limits and coordinate infield operations with haul trucks, etc.. Predicated on (1) the quantity of material removed, (2) type of soil and (3) strategic geographic location of the Wersell close to housing and immediately adjacent to Hwy. 62/180, Cimarex felt it mandatory to restructure the location so that in the event of future, unavoidable spills the discharge would be contained on location. All analytical soil testing showed compliant with NMOCD.

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.

Signature: 	OIL CONSERVATION DIVISION	
Printed Name: Randy Hogan	Approved by District Supervisor:  SB	
Title: Production Superintendent	Approval Date: 10-24-08	Expiration Date: N/A
E-mail Address: rhogan@cimarex.com	Conditions of Approval: 2RP-150	
Date: 15 September 2008 Phone: 432-571-7800	Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary

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.

Report Date: September 17, 2008

Work Order: 8031330
Wersell Fed. Com. #2 Spill

Page Number: 1 of 2
Discharge Area

Summary Report

Aaron Hamilton
Cimarex-Midland
508 W. Wall Street #600
Midland, TX, 79701

Report Date: September 17, 2008

Work Order: 8031330



Project Location: Discharge Area
Project Name: Wersell Fed. Com. #2 Spill

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
153630	N 1/4 area	soil	2008-03-11	10:00	2008-03-13
153631	S 1/4 area	soil	2008-03-11	10:20	2008-03-13
153632	E 1/4 area	soil	2008-03-11	10:40	2008-03-13
153633	3rd Day After 1,000 Cu.Yds.N 1/4 area	soil	2008-03-12	13:00	2008-03-13
153634	3rd Day After 1,000 Cu.Yds.S 1/4 area	soil	2008-03-12	13:20	2008-03-13
153635	3rd Day After 1,000 Cu.Yds.E 1/4 area	soil	2008-03-12	13:40	2008-03-13
153636	3rd Day After 1,000 Cu.Yds.W 1/4 area	soil	2008-03-12	14:10	2008-03-13

Sample: 153630 - N 1/4 area

Param	Flag	Result	Units	RL
Chloride		22200	mg/Kg	3.25

Sample: 153631 - S 1/4 area

Param	Flag	Result	Units	RL
Chloride		13800	mg/Kg	3.25

Sample: 153632 - E 1/4 area

Param	Flag	Result	Units	RL
Chloride		21600	mg/Kg	3.25

Sample: 153633 - 3rd Day After 1,000 Cu.Yds.N 1/4 area

Param	Flag	Result	Units	RL
Chloride		164	mg/Kg	3.25

Sample: 153634 - 3rd Day After 1,000 Cu.Yds.S 1/4 area

Param	Flag	Result	Units	RL
Chloride		411	mg/Kg	3.25

Sample: 153635 - 3rd Day After 1,000 Cu.Yds.E 1/4 area

Param	Flag	Result	Units	RL
Chloride		2850	mg/Kg	3.25

Sample: 153636 - 3rd Day After 1,000 Cu.Yds.W 1/4 area

Param	Flag	Result	Units	RL
Chloride		331	mg/Kg	3.25