State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Tony Delfin

Acting Cabinet Secretary

David R. Catanach, Division Director Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

29-Mar-17

CIMAREX ENERGY CO. OF COLORADO

202 S. CHEYENNE AVE, STE 1000 TULSA OK 74103

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.

		INSPECTIO	N DETAIL	SECTION				
BLUETAIL 8 FEDERAL No.001 Inspection Date Type Inspection		lo.001 Inspector	Violation?	E-8-17S-29E *Significant Non-Compliance?	30-015-38653-00- Corrective Action Due By:	00 Inspection No.		
03/29/2017	Routine/Period Violations		Yes	No	7/2/2017	iTM1708850390		
Comments		OK. All Equipment and Location in RULE 19.15.35.7B	n Good Shape	. PJO STAINING A	ROUND WELLHEAI).		
PERE MAI Inspection Date	RQUETTE 18 F Type Inspection	EDERAL No.010 Inspector	Violation?	F-18-17S-29E *Significant Non-Compliance?	30-015-38998-00- Corrective Action Due By:	00 Inspection No.		
03/29/2017	Routine/Period Violations Surface Leaks/Spi	ic Tony Morales	Yes	No	7/2/2017	iTM1708835455		
		DK. All Equipment and Location in Good Shape. PJO STAINING AROUND WELLHEAD + STAINED AREA APPROX 5' X 60' Rule 19.15.35.7B						

PERE MAR Inspection	RQUETTE 18 FI	EDERAL No	.002H		C-18-17S-29E *Significant	30-015-39030-00-0 Corrective)0
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
03/29/2017	Routine/Periodi	ic	Tony Morales	Yes	No	7/2/2017	iTM1708840087
	Violations						
	General Housekeep	ing (Rule 114)					
Comments	on Inspection: (OK. All Equpm	ent and Location in	Good Shape.	PJO RULE 19.15.3	5.7B	
PERE MAR	RQUETTE 18 FI	EDERAL No	.004H		A-18-17S-29E 30-015-39032-00-00		
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
03/29/2017	Routine/Periodic		Tony Morales	Yes	No	7/2/2017	iTM1708841053
	Violations						
	General Housekeep	ing (Rule 114)					
Comments		OK. All Equipn 9.15.35.7B	nent and Location in	n Good Sape.	PJ STAINING ARO	UND WELLHEAD. I	Rule
PERE MARQUETTE 18 FEDERAL			No.011		F-18-17S-29E	30-015-39056-00-0	00
Inspection Date	Type Inspection		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
03/29/2017	Routine/Period	ic	Tony Morales	Yes	No	7/2/2017	iTM1708836506
	Violations						
	General Housekeep	oing (Rule 114)					
Comments on Inspection:		OK. All Equipr RULE 19.15.35		n Good Shape	. PJO STAINING AF	ROUND WELLHEAD	

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.

Sincerely

Artesia OCD Dispict 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.