State Of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Sarah Cottrell Propst

Cabinet Secretary

Todd Leahy

Deputy Cabinet Secretary

Cahriel Wade Division Director

"Response Required - Deadline Enclosed"



Field Inspection Program "Preserving the Integrity of Our Environment"

16-Jan-19

RKI EXPLORATION & PRODUCTION, LLC 3817 NW Expressway Suite 950 Oklahoma City, OK 73112

LETTER OF VIOLATION - Field Inspection

Dear Operator:

The following inspection indicates that the well, equipment, location or operational status of the well 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 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

[30-015-23816] SWEARINGEN #001

OGRID: 246289

J-04-23S-28E 1650 FSL 1980 FEL

Inspection Date 1/15/2019

Type Inspection Routine Inspection

Inspector [DRS] Danny Smolik Corrective Action Due By 4/15/2019

Inspection No. iDRS191550532

Violations:

Rule

Violation

Comment

19.15 Oil and Gas Mechanical Integrity Failure Recorded Auto Generated Violation - MIT Failure exits.

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 Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data