State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen

Cabinet Secretary Designate

David R. Catanach, Division Director

Oil Conservation Division

SHE OF NEW MENTO

Matthias Saver

Deputy Cabinet Secretary

Response Required - Deadline Enclosed

Field Inspection Program

"Preserving the Integrity of Our Environment"

HOBBS OCD

FEB 1 6 2017

RECEIVED

16-Feb-17

RAM ENERGY LLC 5100 EAST SKELLY DRIVE SUITE 600

TULSA OK 74135

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

JOHN SHULTS No.001

Inspection
Date Type Inspection
Unspection
Type Inspection
Unspector
Unspect

Date Type Inspection Inspector Violation? Non-Compliance? Action Due By: Inspection No. 02/16/2017 Routine/Periodic Mark Whitaker Yes No 5/22/2017 iMAW1704726113

Violations
Idle well (Rule 201)

Comments on Inspection: Idle Well (Rule 19.15.25.8). No production reported in over 25 months. NEED TO RETURN TO PRODUCTION, APPLY FOR TA STATUS, OR PLUG & ABANDON WELL. 1ST NOTICE.

BROWNFIELD A No.001 B-24-12S-37E 30-025-05031-00-00

Inspection *Significant Corrective

Date Type Inspection Inspector Violation? Non-Compliance? Action Due By: Inspection No.

02/16/2017 Routine/Periodic Mark Whitaker Yes No 5/22/2017 iMAW1704725641

Violations Idle well (Rule 201)

Comments on Inspection: Idle Well (Rule 19.15.25.8). No production reported in over 25 months. NEED TO RETURN TO

PRODUCTION, APPLY FOR TA STATUS, OR PLUG & ABANDON WELL. IST NOTICE.

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, Wal Withday P.E.S.

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



HASLER

FIRST-CLASS MAIL

\$000.46⁰
02/16/2017 ZIP 8824
012E14642224

US POSTAGE

RAM ENERGY LLC 5100 EAST SKELLY DRIVE SUITE 600 TULSA, OK 74135