

BROWN PRUITT WAMBSGANSS FERRILL & DEAN, P.C.

ATTORNEYS AND COUNSELORS AT LAW

C. HAROLD BROWN
CHRISTOPHER J. PRUITT
ANDREW L. WAMBSGANSS
DONALD A. FERRILL
RANDAL L. DEAN
MICHAEL L. FORMAN
SUSAN I. PAQUET
R. MARK OLIVER
MICHAEL J. MOORE
JAMES E. GRIFFIS
ADRIENNE M. MAKENS
SHELLI A. HARVESON
ERIC C. FREEBY
JOSEF P. REIMER

600 N. CARROLL AVENUE, SUITE 100
SOUTHLAKE, TEXAS 76092
TELEPHONE 817.203.2000
FACSIMILE 817.203.2100

MISTY M. PRATT
SHANNON E. SCOTT
CHRISTOPHER T. NEZWORSKI
HEATHER N. SUTTON
CAROLINE E. SMOCK
LINDSAY P. DANIEL
ALYSSA A. JACOBS
DANIEL J. PARET
ADAM D. CHILTON

April 14, 2015

Mark A. Whitaker, Compliance Officer
State of New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division, District 1
1625 N. French Drive
Hobbs, New Mexico 88240
*Via Facsimile: (575) 393-0720
and CMRRR No. 7013 1710 0001 0263 6695*

HOBBS OCD

APR 14 2015

**Re: Our Client: Sundance Services, Inc.
Letter of Violation – Inspection
Inspection No. iMAS1507849941
Royalty Holding No. 004
A-25-21S-37E / 30-025-22943-00-00**

RECEIVED

Dear Mr. Whitaker:

My firm represents Sundance Services, Inc. (“Sundance”) in regards to its general legal affairs. This letter is in response to the Letter of Violation – Inspection dated March 19, 2015 (“Letter”) in regards to the routine/periodic inspection of even date identified as follows:

**Inspection No. iMAS1507849941
Royalty Holding No. 004
A-25-21S-37E
30-025-22943-00-00**

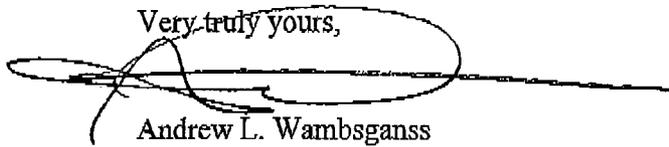
Pursuant to the Letter, the above-referenced well failed a pressure test during your inspection and authority to inject into said well expired as a result of no injection in the last twelve (12) months.

Please be advised that Sundance’s proposed corrective action will be to plug the well, and Sundance will be working with its engineers to develop a schedule for such action that will be submitted to you on or before the June 22, 2015 corrective action due date. In the meantime, the

APR 16 2015

well will not be used for injection. Please do not hesitate to contact us with any questions or concerns relating to our outlined course.

Very truly yours,

A handwritten signature in black ink, consisting of a large, stylized loop followed by a horizontal line that extends to the right.

Andrew L. Wambsganss