

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David Catanach, Director
Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

07-Mar-16

CHAPARRAL ENERGY LLC
701 CEDAR LAKE BLVD.
OKLAHOMA CITY OK 73114

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

STATE K No.001		K-21-11S-33E		30-025-22049-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
03/07/2016	Routine/Periodic Violations Surface Damage/Restoration	Mark Whitaker	Yes	No	4/15/2016	iMAW1606754840
Comments on Inspection:		DO NOT RELEASE BONDS. P&A marker good. Anchors on all corners. Well sign and other debris on location. NEED TO REMOVE ANCHORS, WELL SIGNS, AND ANY OTHER DEBRIS FROM LOCATION.				

MAR 08 2016

STATE K No.002

L-21-11S-33E

30-025-22478-00-00

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
03/07/2016	Routine/Periodic	Mark Whitaker	Yes	No	4/15/2016	iMAW1606754240

Violations
Surface Damage/Restoration

Comments on Inspection: DO NOT RELEASE BONDS. P&A marker good. Anchor northwest of marker. Well sign, fencing, and barbed wire on location. 4 secondary power poles starting on southeast corner of location running to the east to primary line. NEED TO REMOVE ANCHOR, SIGN, AND FENCING MATERIAL. NEED TO CONTACT LEA COUNTY ELECTRIC COOP (LCEC) AND REQUEST REMOVAL OF POLES AND POWER LINES. NEED TO ATTACH A COPY OF THE CORRESPONDENCE WITH LCEC TO A C-103 REQUEST FOR FINAL INSPECTION OF PLUGGED WELL AFTER ANCHORS AND FENCING HAVE BEEN REMOVED. (AVAILABLE ON LINE UNDER FORMS).

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,



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

US POSTAGE

HASLER

FIRST-CLASS MAIL

\$000.48⁵

03/07/2016 ZIP 88240
012E14642224



CHAPARRAL ENERGY LLC
701 CEDAR LAKE BLVD.
OKLAHOMA CITY, OK 73114