



CIMAREX ENERGY COMPANY
600 N. Marienfeld Street
Suite 600
Midland, TX 79701

RECEIVED

FEB 21 2011

HOBBSOCD

February 16, 2011

Mr. Buddy Hill,

We received the Letter of Violation on the State 1 No. 2 located in B-2-24S-34E. I would like to inform you action has been taken and the well sign has been returned to the appropriate position. Please do not hesitate to contact me with any further concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron Hamilton".

Aaron Hamilton
Division Production Manager

A handwritten signature in black ink, appearing to read "Buddy Hill".
2-22-11



New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Harrison H. Schmitt
Cabinet Secretary – Designate

Brett F. Woods, Ph.D
Deputy Cabinet Secretary

Daniel Sanchez
Acting Division Director
Oil Conservation Division

Response Required – Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"



08-Feb-11

CIMAREX ENERGY CO. OF COLORADO
600 N. MARIENFELD ST SUITE 600
MIDLAND TX 79701

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 1 No.002		B-2-24S-34E		30-025-37774-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
02/01/2011	Routine/Periodic	Buddy Hill	Yes	No	5/7/2011	iLWH1103542130
Violations						
Absent Well Identification Signs (Rule 103)						
Comments on Inspection: No well Sign (Rule 103). Needs well sign,						

skylar Jamison
Jimmy Christian
Mark Martino
2-11-11

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. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

Sincerely,



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.