Tor Morales & Gilbert Cordero,

the violations on the attached documents have been resolved.

Thanks,

Tanner Riewe

Production Engineer Office: (575) 393-5905 Cell: (575) 602-3009 Fax: (575) 393-7259 Email: <u>triewe@mewbourne.com</u>



NM OIL CONSERVATION ARTESIA DISTRICT

NOV 07 2016

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State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary

Tony Delfin Deputy Cabinet Secretary **David Catanach, Director** Oil Conservation Division



Response Required - Deadline Enclosed

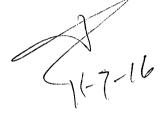
Field Inspection Program
"Preserving the Integrity of Our Environment"

01-Aug-16

MEWBOURNE OIL CO

PO Box 5270 Hobbs NM 88241-8241 NM OIL CONSERVATION ARTESIA DISTRICT NOV 07 2016

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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.

		INSPECTIO	N DETAIL	L SECTION	·	
LOCOIEIIL Inspection Date	LS STATE No.002 Type Inspection	Inspector	Violation?	L-2-18S-30E *Significant Non-Compliance?	30-015-26654-00- Corrective Action Due By:	00 Inspection No.
08/01/2016	Routine/Periodic	Tony Morales	Yes	No	11/4/2016	iTM1621450973
	Violations					
	Tank Battery Equipment	(Rules 114, 115)				
	General Housekeeping (F	ule 114)				
Comments	TANK	Il Equipment and Location in BATTERIES STAINING A				D.
	TANK LOCA	Il Equipment and Location in				
	TANK	Il Equipment and Location in BATTERIES STAINING A		AIN. NO WIND SOC	K. TUBING ON	
ILOCO IBIDE Inspection Date	TANK LOCA	Il Equipment and Location in BATTERIES STAINING A TION.	ROUND DR.	AIN. NO WIND SOC E-2-18S-30E *Significant	K. TUBING ON 30-015-27450-00- Corrective	00
LOCO HILL Inspection	TANK LOCA LSISIDANDE No.005 Type Inspection	Il Equipment and Location in BATTERIES STAINING A TION. Inspector	ROUND DR.	AIN. NO WIND SOC E-2-18S-30E *Significant Non-Compliance?	K. TUBING ON 30-015-27450-00- Corrective Action Due By:	00 Inspection No.
LOCO HILL Inspection Date	TANK LOCA LSISINATIES No.995 Type Inspection Routine/Periodic	Il Equipment and Location in BATTERIES STAINING A TION. Inspector Tony Morales	ROUND DR.	AIN. NO WIND SOC E-2-18S-30E *Significant Non-Compliance?	K. TUBING ON 30-015-27450-00- Corrective Action Due By:	00 Inspection No.

CEDARSIE Inspection Date	REAKS 2517		Inspector	Violation?	O-2-18S-30E *Significant Non-Compliance?	30-015-27555-00- Corrective Action Due By:)) Inspection No.					
08/01/2016	Routine/Periodic Violations		Tony Morales	Yes	No	11/4/2016	iTM1621451748					
	Tank Battery Eq	Tank Battery Equipment (Rules 114, 115)										
	Surface Leaks/Sp	vills										
	General Houseke	General Housekeeping (Rule 114)										
Comments	on Inspection:	CONTAINME	NT REPAIR. STAI	NING ARÒU	. PJ. TANK BATTE IND HEATER TREA IEAD OLD TUBING	TOR. LOCATION SI	GN					
BRADLEY	36 B2EH STA	TE COM	No.001H		E-36-18S-29E	30-015-42403-00-0)0					
Inspection Date	Type Inspectior	ı	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.					
08/01/2016	Routine/Perio	dic	Tony Morales	Yes	No	11/4/2016	iTM1621438059					
	Violations		-		й. С							
	General Houseke	eping (Rule 114)										
Comments	on Inspection:	1 1	ment and Location in SH ON LOCATION	Good Shape	. PJO. STAINING	AROUND WELL HE	AD.					

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,

Artesia 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.