

State of New Mexico  
Energy, Minerals and Natural Resources Department

Susana Martinez  
Governor

John H. Bemis  
Cabinet Secretary

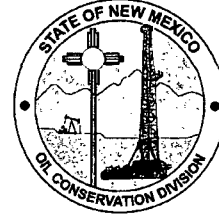
Brett F. Woods, Ph.D.  
Deputy Cabinet Secretary

HOBBS OCD

NOV 26 2013

RECEIVED

Jami Bailey, Division Director  
Oil Conservation Division



**\*Response Required - Deadline**

*Field Inspection Program*  
*"Preserving the Integrity of Our Environment"*

26-Nov-13

MEWBOURNE OIL CO  
PO Box 5270  
Hobbs NM 88241

**LETTER OF VIOLATION -**

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 re-inspect the well and/or facility.

**INSPECTION DETAIL SECTION**

QUERECHO PLAINS BS SAND UNIT No.004

I-14-18S-32E

30-025-30643-00-

Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
11/26/2013	Pressure Test	Sylvia Dickey	Yes	No	3/1/2014	iSAD1333033917

**Comments on Inspection:**

AFTER FURTHER REVIEW OF PRESSURE TEST PERFORMED 9/18/2013, OCD CONSTITUTES WELL RESULTS AS A FAILURE. PRESSURE TEST STARTS AT 480# AND ENDS AT 430#, DROP OF 50# WHICH IS MORE THAN 10% ALLOWED BY STATE OF NEW MEXICO. \*\*OPERATOR IN VIOLATION OF NMOCD RULE 19.15.26.11 \*\*\* OPERATOR MUST RUN ANOTHER PRESSURE TEST STATING INTEGRITY TO HOLD WITHIN THE 10 % ALLOWED BY STATE\*\*\*

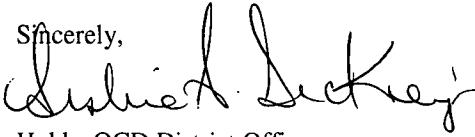
NOV 26 2013

November 26, 2013

Page 2

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,



Hobbs OCD District Office

**COMPLIANCE OFFICER**

**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.

Submit 1 Copy To Appropriate District Office

State of New Mexico

Form C-103

Revised July 18, 2013

District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

Energy, Minerals, and Natural Resources

HOBBS COO

SEP 24 2013

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

WELL API NO. 30-025-30643
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name QPBSSU 12C
8. Well Number #4
9. OGRID Number 14744
10. Pool name or Wildcat Querecho Plains Upper Bone Spring
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3812.7' GL

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other IAWT

2. Name of Operator  
Mewbourne Oil Company

3. Address of Operator  
PO Box 5270, Hobbs NM 88241

4. Well Location

Unit Letter I : 1980' feet from the South line and 660' feet from the East line  
Section 14 Township 18S Range 32E NMPM Lea County

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
DOWNHOLE COMMINGLE ☐  
CLOSED-LOOP SYSTEM ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐  
OTHER: MIT & Braidenhead test ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Performed MIT & Braidenhead test on 09/17/2013. Mark Whitaker w/NMOCD notified but did not witness. Test was performed due to previous test failing. See attached chart. Well was placed back on active status.

Spud Date:

Rig Release Date:

Letter of Violation  
11/26/2013  
SAS 11/26/13

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

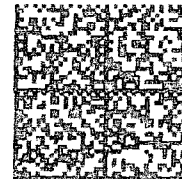
SIGNATURE Jackie Lathan TITLE Regulatory DATE 09/24/13

Type or print name Jackie Lathan E-mail address: jlathan@mewbourne.com PHONE: 575-393-5905  
For State Use Only

APPROVED BY [Signature] TITLE DET. MAR DATE 9-25-2013  
Conditions of Approval (if any)

SEP 26 2013

EMNRD  
OIL CONSERVATION DIVISION  
1625 N FRENCH DRIVE  
HOBBS NM 88240



HASLER  
015H14150977  
\$0.46  
11/26/13  
Mailed From 88240  
US POSTAGE

MEWBOURNE OIL CO.  
P.O. BOX 5270  
HOBBS, NM 88240