State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary Jami Bailey, Division Director Oil Conservation Division



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

*Response Required - Deadline

Field Inspection Program
"Preserving the Integrity of Our Environment"

11-Mar-14

HOBBS OCD

MAR 1 1 2014

MEWBOURNE OIL CO

PO Box 5270 Hobbs NM 88241

RECEIVED

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

QUERECH	O PLAINS QA SA	AND UNIT No.006	I-22-18S-32E	30-025-27909-00-		
Inspection				*Significant	Corrective	
Date	Type Inspection	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
03/11/2014	Pressure Test	Sylvia Dickey	Yes	No	6/14/2014	
iSAD1407031151						

Comments on Inspection:

Comments on Inspection:

PT OKAY 2/20/2014; BHT SHOWS TUBING RESULTS 1750 PSI. PER IPI-247

INJECTION PRESSURE APPROVED AT 1500 PSI. **OPERATOR IN VIOLATION OF

	INJEC	ΓING OVER PRESSURE N	MOCD RUL	E 19.16.26.10***		
Inspection	O PLAINS QA SAND UNIT No.030			A-26-18S-32E *Significant	30-025-29557-00- Corrective	
Date	Type Inspection	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
03/11/2014	Bradenhead	Sylvia Dickey	Yes	No	6/14/2014	
iSAD140703	31815					

BHT SHOWS TUBING RESULTS 1750 PSI. PER IPI LETTER 10/19/2001 INJECTION PRESSURE APPROVED AT 1640 PSI. **OPERATOR IN VIOLATION OF

INJECTING OVER PRESSURE NMOCD RULE 19.16.26.10***

STATE 16 No.001

L-16-17S-35E

30-025-30024-00-

Inspection Date

Type Inspection 03/11/2014 Bradenhead

Inspector Sylvia Dickey Violation? Yes

Non-Compliance? No

*Significant

Corrective Action Due By: 6/14/2014

Inspection No.

iSAD1407030440

Comments on Inspection:

BHT OKAY 02/20/2014; ***WELL SHOWS NO PRODUCTION IN 54 MONTHS ***OPERATOR IN VIOLATION OF NMOCD RULE 19.25.8*** WELLS TO BE

PROPERLY ABANDONED****

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.

EMNRD OIL CONSERVATION DIVISION 1625 N FRENCH DRIVE HOBBS NM 88240



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