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 Eavironment"

04-Aug-16

MEWBOURNE OIL CO

PO Box 5270 Hobbs NM 88241-8241

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		
SANTO NI Inspection Date	NO 29 FEDERAL No.001 Type Inspection	Inspector	Violation?	E-29-18S-30E *Significant Non-Compliance?	30-015-28139-00- Corrective Action Due By:	00 Inspection No.
08/04/2016	Routine/Periodic	Tony Morales	Yes	No	11/7/2016	iTM1621742677
	Violations					
	Tank Battery Equipment (Rules	114, 115)				
	General Housekeeping (Rule 11	4)				
		TERY NEEDS WINDS	SOCK OLD I	BARB WIRE TUBIN	G CHEMICAL TANI	K ON
SANTO NI	TANK BAT LOCATION NO 19 FEDERAL No.001		SOCK OLD I	BARB WIRE TUBIN	G CHEMICAL TANH	
SANTO NI Inspection Date	LOCATION		SOCK OLD I			
Inspection Date	LOCATION NO 19 FEDERAL No.001	1		O-19-18S-30E *Significant	30-015-28329-00- Corrective	00
Inspection	LOCATION NO 19 FEDERAL No.001 Type Inspection	Inspector	Violation?	O-19-18S-30E *Significant Non-Compliance?	30-015-28329-00- Corrective Action Due By:	00 Inspection No.
Inspection Date	LOCATION NO 19 FEDERAL No.001 Type Inspection Routine/Periodic	Inspector Tony Morales	Violation?	O-19-18S-30E *Significant Non-Compliance?	30-015-28329-00- Corrective Action Due By:	00 Inspection No.

SANTO NINO 29 FEDERAL SWD No.0 Inspection			001		G-29-18S-30E 30-015-28698-00- *Significant Corrective		00
Date			Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.
08/04/2016	Routine/Peri	odic	Tony Morales	Yes	No	11/7/2016	iTM162174504
	Violations						
		quipment (Rules 11	4, 115)				
_		eeping (Rule 114)				· · · *	
Comments	on Inspection:	STAINING A		OLD CONTA		S NO WIND SOCK INATED MATERIAL	
ARIES 20 H	FEDERAL CO)M No.002H			E-20-18S-30E	30-015-38392-00-0)0
Inspection Date	spection		Inspector		*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/04/2016	Routine/Peri	odic	Tony Morales	Yes	No	11/7/2016	iTM1621732549
00/0 // 2010	Violations		rony montes	I US	110	11///2010	11.0002175254.
Commente		eeping (Rule 114)		Card Chana			t
Comments	on Inspection:		KED 55 GALLON I			ROUND LOCATION	N. _ <u></u>
ARIES 20 FEDERAL COM No.003H					L-20-18S-30E	30-015-39432-00-0)0
Inspection Date	Type Inspectio	'n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
08/04/2016	Routine/Periodic		Tony Morales	Yes	No	11/7/2016	iTM1621736559
	Violations						
	General Housek	eeping (Rule 114)					
Comments	on Inspection:		nent and Location in ON LOCATION	Good Shape	. PJO. STAINING A	ROUND WELL HEA	D
BRADLEY	30 FEDERAI	. No.003H			E-30-18S-30E	30-015-40168-00-0	0
Inspection Date	Type Inspectio	n	Inspector	Violation?	*Significant	Corrective Action Due By:	Inspection No.
08/04/2016	Routine/Perio		Tony Morales	Yes	Non-Compliance? No	11/7/2016	iTM1621741968
0010412010	Violations			105	110	11772010	11011021711900
		eping (Rule 114)					1
Comments of	on Inspection:	OK. All Equipr			PJO. STAINING A	ROUND WELL HEA	D
ARIES 20 F	EDERAL CO				M-20-18S-30E	30-015-40427-00-0	0
Inspection	Type Inspectio		Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
L SH P			-		•		
Date 08/04/2016	Routine/Peric	odie	Tony Morales	Yes	No	11/7/2016	1 1 101 1 10 2 1 2 3031 631
	Routine/Peric Violations		Tony Morales	Yes	No	11/7/2016	11111021750100
08/04/2016	Violations General Houseke	eping (Rule 114)	·				
08/04/2016	Violations	eping (Rule 114) OK. All Equips	·	Good Shape.	PJO, FLARE OK.	11/7/2016 STAINING AROUNE	iTM1621736166
08/04/2016 Comments of BRADLEY	Violations General Houseke on Inspection:	eping (Rule 114) OK. All Equips	nent and Location in OLD TUBING / PO	Good Shape.	PJO. FLARE OK. LOCATION D-30-18S-30E	STAINING AROUNE 30-015-40934-00-0)
08/04/2016 Comments of BRADLEY Inspection	Violations General Houseko on Inspection: 30 FEDERAL	eeping (Rule 114) OK. All Equipn WELL HEAD COM No.004	nent and Location in OLD TUBING / PO H	Good Shape. LYPIPE ON	PJO. FLARE OK. LOCATION D-30-18S-30E *Significant	STAINING AROUNE 30-015-40934-00-0 Corrective) 0
08/04/2016 Comments of BRADLEY Inspection Date	Violations General Houseko on Inspection: 30 FEDERAL Type Inspection	eeping (Rule 114) OK. All Equipm WELL HEAD COM No.004	nent and Location in OLD TUBING / PO H Inspector	Good Shape. LYPIPE ON Violation?	PJO. FLARE OK. LOCATION D-30-18S-30E *Significant Non-Compliance?	STAINING AROUNE 30-015-40934-00-0 Corrective Action Due By:) O Inspection No.
08/04/2016 Comments of BRADLEY Inspection	Violations General Houseke on Inspection: 30 FEDERAL Type Inspection Routine/Perio Violations	eeping (Rule 114) OK. All Equipm WELL HEAD COM No.004	nent and Location in OLD TUBING / PO H	Good Shape. LYPIPE ON	PJO. FLARE OK. LOCATION D-30-18S-30E *Significant	STAINING AROUNE 30-015-40934-00-0 Corrective) 0

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ARIES 20 N Inspection Date	1P FEDERAI Type Inspectio	, COM No.001	H Inspector	Violation?	M-20-18S-30E *Significant Non-Compliance?	30-015-41695-00-(Corrective Action Due By:	00 . Inspection No.	
08/04/2016	Routine/Perio	dic	Tony Morales	Yes	No	11/7/2016	iTM1621732177	
	Violations							
	General Housekeeping (Rule 114)							
Comments on Inspection: OK. All Equipment and Location POLY PIPE ON LOCATION. OI				. PJ STAINING ARC	OUND WELL HEAD			

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, \Diamond 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.