Tom Morales & Gilbert Cordero,

 $\mathcal{U}_{\mathsf{he}}$ 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: triewe@mewbourne.com



NM OIL CONSERVATION

ARTESIA DISTRICT

NOV 07 2016

RECEIVED

8-16

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



Field Inspection Program "Preserving the Integrity of Our Environment"

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.

INSPECTION DETAIL SECTION

SKUNTRO KRIGKO 20 FEBRERAL KILANDI

E-29-18S-30E

30-015-28139-00-00

Inspection

Type Inspection Date

Inspector

Violation?

*Significant Non-Compliance? Action Due By:

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 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape. PJ. STAINING AROUND WELL HEAD

TANK BATTERY NEEDS WINDSOCK OLD BARB WIRE TUBING CHEMICAL TANK ON

LOCATION

JULION JAME LIETEL WE COMEN COTTOVAS

O-19-18S-30E

30-015-28329-00-00

Inspection

Type Inspection Date

Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

08/04/2016

Routine/Periodic

Tony Morales

Yes

No

11/7/2016

iTM1621735675

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape. PJO. TANK BATTERIES OK WINDSOCK

NEEDS REPAIR. OLD TUBING ON LOCATION

SANTO NINO 29 FEDERAL SWD No.001 G-29-18S-30E 30-015-28698-00-00 Inspection *Significant Corrective **Type Inspection** Violation? Inspector Inspection No. Date Non-Compliance? Action Due By: 08/04/2016 Routine/Periodic Tony Morales Yes No 11/7/2016 iTM1621745040 Violations Tank Battery Equipment (Rules 114, 115) General Housekeeping (Rule 114) **Comments on Inspection:** OK. All Equipment and Location in Good Shape. TANK BATTERIES NO WIND SOCK STAINING AROUND DRAINS OLD CONTAINMENT CONTAMINATED MATERIAL **UNMARKED 55 GALLON DRUM ON LOCATION** ARIES 20 FEDERAL COM No.002H E-20-18S-30E 30-015-38392-00-00 Inspection *Significant Corrective **Type Inspection** Inspector Violation? Inspection No. Date Non-Compliance? Action Due By: 08/04/2016 Routine/Periodic Tony Morales Yes No 11/7/2016 iTM1621732549 Violations General Housekeeping (Rule 114) **Comments on Inspection:** OK, All Equipment and Location in Good Shape. PJO. STAINING AROUND LOCATION. OLD UNMARKED 55 GALLON DRUM ON LOCATION ARIES 20 FEDERAL COM No.003H L-20-18S-30E 30-015-39432-00-00 Inspection *Significant Corrective Type Inspection Inspection No. Inspector Violation? Non-Compliance? Date Action Due By: 08/04/2016 Routine/Periodic No 11/7/2016 iTM1621736559 Tony Morales Yes Violations General Housekeeping (Rule 114) **Comments on Inspection:** OK. All Equipment and Location in Good Shape. PJO. STAINING AROUND WELL HEAD **OLD TUBING ON LOCATION BRADLEY 30 FEDERAL No.003H** E-30-18S-30E 30-015-40168-00-00 Inspection *Significant Corrective Type Inspection Violation? Inspection No. Inspector Date Non-Compliance? Action Due By: iTM1621741968 08/04/2016 Routine/Periodic Tony Morales Yes No 11/7/2016 Violations General Housekeeping (Rule 114) Comments on Inspection: OK. All Equipment and Location in Good Shape. PJO. STAINING AROUND WELL HEAD TANK BATTERY NO WINDSOCK OLD CONTAIMENT TIN ON LOCATION ARIES 20 FEDERAL COM No.004H M-20-18S-30E 30-015-40427-00-00 Inspection *Significant Corrective Violation? Inspection No. **Type Inspection** Inspector Date Non-Compliance? Action Due By:

Nο

11/7/2016

iTM1621736166

Routine/Periodic Violations General Housekeeping (Rule 114)

08/04/2016

OK. All Equipment and Location in Good Shape. PJO. FLARE OK. STAINING AROUND Comments on Inspection:

Yes

WELL HEAD OLD TUBING / POLYPIPE ON LOCATION

Tony Morales

BRADLEY 30 FEDERAL COM No.004H D-30-18S-30E 30-015-40934-00-00

*Significant Inspection Corrective Inspection No. **Type Inspection** Inspector Violation? Non-Compliance? **Action Due By:** Date 08/04/2016 Routine/Periodic Tony Morales Yes 11/7/2016 iTM1621740779

Violations

General Housekeeping (Rule 114)

Comments on Inspection: OK. All Equipment and Location in Good Shape. PJ. STAINING AROUND WELL HEAD AVOUES 20 MIP THE DERAIL COM NO. COLL

M-20-18S-30E

30-015-41695-00-00

Inspection

Date Type Inspection

Inspector

*Significant
Violation? Non-Compliance?

Corrective ? Action Due By:

Inspection No.

08/04/2016

Routine/Periodic

Tony Morales

Yes

No

11/7/2016

iTM1621732177

Violations

General Housekeeping (Rule 114)

Comments on Inspection:

OK. All Equipment and Location in Good Shape. PJ STAINING AROUND WELL HEAD

POLY PIPE ON LOCATION. OPEN PIT

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.