

NEW MEXICO ENERGY, MINERALS NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E. Director Oil Conservation Division

14-Aug-07

MEWBOURNE OIL CO

PO Box 5270 Hobbs NM 88241 LOV NO. 02/10/07

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 M-10-18S-31E

TAMANO 10 FEDERAL No.005

30-015-34239-00-00

Inspection

Type Inspection Date

Inspector Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

08/14/2007

Routine/Periodic

Ron Harvey

Yes

No

9/21/2007

iREH0722646240

Violations

Emergency/Temporary Pits

Comments on Inspection:

Drilling pit still open and full of fluids/solids. Pit fence is ok. Pit liner is breached in several

location in violation of Rule 50. Photos taken,

LONG DRAW 4 FEDERAL COM No.001

O-4-20S-25E

30-015-34262-00-00

Inspection Date

Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

08/14/2007

Routine/Periodic

Ron Harvey

Yes

No

9/21/2007

iREH0722632253

Violations

Emergency/Temporary Pits

Comments on Inspection:

drilling Pit Open and full of liquids/solids. Pit fence ok. Pit liner breached. Looks like pit liner

has been removed from right side portion of horseshoe and contents have been removed. Photos

taken. Violation of Rule 50.

TAMANO 15 FEDERAL No.003

C-15-18S-31E

30-015-34442-00-00

Inspection

Date 08/14/2007 Type Inspection

Inspector

Violation?

*Significant Non-Compliance?

Corrective Action Due By:

Inspection No.

Routine/Periodic

Ron Harvey

Yes

No

9/21/2007

iREH0722645562

Violations

Emergency/Temporary Pits

Comments on Inspection:

Well is plugged and abandoned. P/A marker seems to be installed properly with all required

information. Drilling pit is still open and full of liquids/solids. Pit fence ok. Pit liner breached on

west wall, violation of Rule 50. Photos taken.

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. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

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