State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary Heather Riley Division Director



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

09-May-18

MEWBOURNE OIL CO

4801 Business Park Blvd. PO Box 5270 Hobbs NM 88240-8240

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 DETÀIL	SECTION		
EMPIRE 18 Inspection Date 05/09/2018	STATE No.003 Type Inspection Routine/Periodic Violations	c	Inspector Tony Morales	Violation? Yes	P-18-17S-29E *Significant Non-Compliance? No	30-015-31353-00-0 Corrective Action Due By: 8/12/2018	Inspection No. iTM1812945609
	General Housekeepi on Inspection: C 1	TZ All England	ent and Location in ATION BEING U	Good Shape SED AS STC	KAGE. TAINK DAT	AROUND WELLHEAD TERIES OK	
EMPIRE 18	R STATE No.007	,			I-18-17S-29E	30-015-33769-00-	00
EMPIRE 18 Inspection Date 05/09/2018	3 STATE No.007 Type Inspection Routine/Periodi		Inspector Tony Morales	Violation? Yes	I-18-17S-29E *Significant Non-Compliance? No	Corrective	00 Inspection No. iTM181294906

Inspection	STATE No.0		Inspector	Violation?	J-18-17S-29E *Significant Non-Compliance?	30-015-33771-00-0 Corrective Action Due By:	DO Inspection No.	
Date	Type Inspection		-		•	•	iTM1812949373	
05/09/2018	Routine/Periodic		Tony Morales	Yes	No	8/12/2018	11W1012949373	
	Violations	,						
	General Houseke	eping (Rule 114)						
Comments	on Inspection:	OK. All Equipt TUBING ON L	nent and Location in OCATION 19.15.1	Good Shape	. PJ STAINING AR	OUND WELLHEAD	OLD	
EMPIRE 18 STATE No.010					I-18-17S-29E	30-015-36735-00-00		
Inspection Date	Type Inspectio	ı	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.	
05/09/2018	Routine/Periodic		Tony Morales	Yes	No	8/12/2018	iTM1812948719	
	Violations							
	General Housek	eping (Rule 114)						
Comments on Inspection: OK. All Equip FRESH OIL L		ment and Location in	n Good Shape	. PJ STAINING AR	OUND WELLHEAD			

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, Ŷ.

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.