Morales & Gilbert Cordero,

the violations on the attached documents have been resolved.

Thanks,

Tony

Tanner Riewe

 Production Engineer

 Office:
 (575) 393-5905

 Cell:
 (575) 602-3009

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 (575) 393-7259

 Email:
 triewe@mewbourne.com



NM OIL CONSERVATION ARTESIA DISTRICT

NOV 07 2016

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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 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.

		INSPECTIO	N DETAII	L SECTION			
SAVNILO NI Inspection Date	NO 29 BEDIERAL	NaODI Inspector	Violation?	E-29-18S-30E *Significant Non-Compliance?	30-015-28139-00- Corrective Action Due By:	00 Inspection No.	
08/04/2016	• • •						
Comments	TAN	All Equipment and Location in NK BATTERY NEEDS WINDS					
	······	CATION		O 10 185 20E	20.015.29220.00		
SAUNITOUNIE Inspection Date	LOC NO 1919EDERANC Type Inspection		Violation?	O-19-18S-30E *Significant Non-Compliance?	30-015-28329-00- Corrective Action Due By:	00 Inspection No.	
Inspection	NO 19 IMADARANGI	NO:001	Violation? Yes	*Significant	Corrective	Inspection No.	
Inspection Date	NO 19 FEDERAU, Type Inspection Routine/Periodic	No:0017 Inspector Tony Morales		*Significant Non-Compliance?	Corrective Action Due By:		

SANTO NINO 29 FEDERAL SWD I Inspection					G-29-18S-30E *Significant	30-015-28698-00- Corrective			
Date	Type Inspection		Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.		
08/04/2016	Violations Tank Battery Equipment (R			Yes	No	11/7/2016	iTM1621745040		
General Houseke Comments on Inspection:		OK. All Equ STAINING	ping (Rule 114) 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 F	EDERAL CO				E-20-18S-30E	30-015-38392-00-	00		
Inspection	Type Inspection	n Inspector		Violation?	*Significant	Corrective	Inspection No.		
Date			•	Yes	Non-Compliance? No	-	-		
08/04/2016	Routine/Perio Violations		Tony Morales	Tes	INO	11/7/2016	iTM1621732549		
	General Houseke	eping (Rule 11	4)						
Comments o	on Inspection:		ipment and Location in ARKED 55 GALLON I			AROUND LOCATION	N.		
ARIES 20 FEDERAL COM No.003H					L-20-18S-30E	30-015-39432-00-	00		
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.		
08/04/2016	Routine/Peric Violations		Tony Morales	Yes	No	11/7/2016	iTM1621736559		
	General Houseke								
Comments o	on Inspection:	OK. All Equipment and Location in Good Shape. PJO. STAINING AROUND WELL HEAD OLD TUBING ON LOCATION							
	30 FEDERAL	No.003H			E-30-18S-30E	30-015-40168-00-	00		
Inspection Date	Type Inspection	1 <u>,</u>	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.		
08/04/2016	Routine/Peric	dic	Tony Morales	Yes	No	11/7/2016	iTM1621741968		
		/iolations General Housekeeping (Rule 114)							
Commente		- +		Cood Shana	DIO STAINUNC /				
Comments o	on Inspection:		ipment and Location in TERY NO WINDSOC						
ARIES 20 FEDERAL COM No.00 Inspection		M No.004H			M-20-18S-30E *Significant	30-015-40427-00-0 Corrective	00		
Date	Type Inspection	1	Inspector	Violation?	Non-Compliance?	Action Due By:	Inspection No.		
08/04/2016	Routine/Peric		Tony Morales	Yes	No	11/7/2016	iTM1621736166		
Comments o	General Houseke n Inspection:		ipment and Location in	Good Shane	PIO FLARE OK	STAINING AROUN	D		
			D OLD TUBING / PO						
	30 FEDERAL	COM No.004H		D-30-18S-30E	30-015-40934-00-00 Corrective				
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Action Due By:	Inspection No.		
08/04/2016	Routine/Perio Violations	dic	Tony Morales	Yes	No	11/7/2016	iTM1621740779		
		eping (Rule 114	4)						
			• /						

ANULS 20 MIP HEADERAVE COM No. CO1H				M-20-18S-30E	30-015-41695-00-0	00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.		
08/04/2016	Routine/Perio	dic Tony Morales	Yes	No	11/7/2016	iTM1621732177		
	Violations							
	General Houseke	eping (Rule 114)				r.		
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, Ô 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.