

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM01165 (SL & BHL)

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator Mewbourne Oil Company
Mewbourne Oil Company

3a. Address

PO Box 5270 Hobbs, NM 88241

3b. Phone No. (include area code)

575-393-5905

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
Derringer 18 DA Federal #1H

9. API Well No.
30-015-41431

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

545' FNL & 150' FWL, Sec 18, T20S, R29E

10. Field and Pool or Exploratory Area

Russell; Bone Spring 52805

11. Country or Parish, State

Eddy, County NM

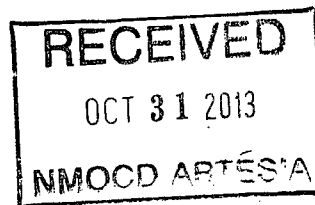
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input checked="" type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Site Facility Diagram</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

See attached for onshore order #3 and #7. Also, IR is complete.

WRD 11/6/13
Accepted for record
NMOCD



14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Reid Sharpe

Title Engineer

Signature Reid Sharpe

Date 10/08/13

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

SEPS

Date

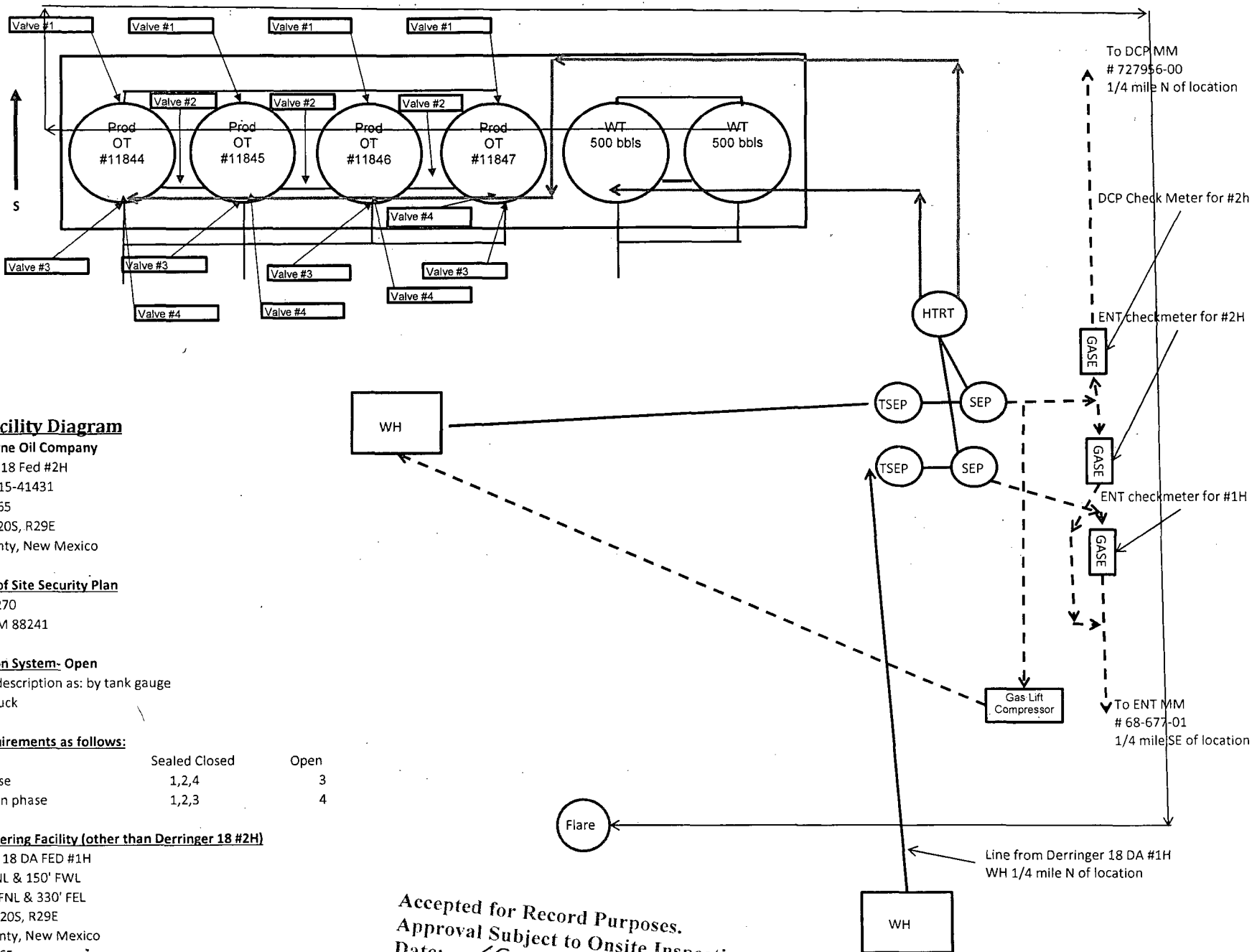
10-27-13

Office

CFO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212. make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)



Site Facility Diagram

Mewbourne Oil Company

Derringer 18 Fed #2H

API# 30-015-41431

#NM-01165

Sec. 18, T20S, R29E

Eddy County, New Mexico

Location of Site Security Plan

P.O. Box 5270

Hobbs, NM 88241

Production System- Open

Oil Sales description as: by tank gauge
to tank truck

Seal Requirements as follows:

	Sealed Closed	Open
Sales phase	1,2,4	3
Production phase	1,2,3	4

Wells entering Facility (other than Derringer 18 #2H)

Derringer 18 DA FED #1H

SL 545' FNL & 150' FWL

BHL 500' FNL & 330' FEL

SEC. 18, T20S, R29E

Eddy County, New Mexico

#NM-01665

Accepted for Record Purposes.
Approval Subject to Onsite Inspection.
Date: 12-27-13
[Signature]

WATER PRODUCTION & DISPOSAL INFORMATION

In order to process your disposal request, the following information must be completed:

1. Name of formations producing water on the lease. 2nd sand
Bone Springs
2. Amount of water produced from all formations in barrels per day. 500 bbl/day
3. Attach a current water analysis of produced water from all zones showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates. (One sample will suffice if water is commingled.)
4. How water is stored on lease. 2-500 bbl fiberglass tanks
5. How water is moved to the disposal facility. truck hauled by 3rd party
6. Identify the Disposal Facility by:
 - A. Facility Operators name. Robert H. Forrest Jr. Oil, LLC
 - B. Name of facility or well name and number. Big Eddy Fed #100 SWD
 - C. Type of facility or well (WDW) (WIW) etc. WDW
 - D. Location by ¼ ¼ Unit L Section 8 Township 21 S Range 28 E
7. Attach a copy of the State issued permit for the Disposal Facility.

Submit to this office, 620 EAST GREENE ST, CARLSBAD NM, 88220, the above required information on a Sundry Notice 3160-5. Submit 1 original and 3 copies, within abatement period. (This form may be used as an attachment to the Sundry Notice.)



BRUCE KING
GOVERNOR

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



POST OFFICE BOX 2038
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

AMENDED
ADMINISTRATIVE ORDER NO. SWD-461

APPLICATION OF DAKOTA RESOURCES, INC.

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), Dakota Resources, Inc. made application to the New Mexico Oil Conservation Division on January 23, 1992, for permission to complete for salt water Big Eddy Federal #100 located in Unit L of Section 8, Township 21 South, Range 28 East, NMPM, Eddy County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations.
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified; and
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met.
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

- (1) The applicant herein, Dakota Resources, Inc. is hereby authorized to complete its Big Eddy Federal #100 located in Unit L of Section 8, Township 21 South, Range 28 East, NMPM, Eddy County, New Mexico, in such a manner as to permit the injection of salt water for disposal purposes into the Delaware formation at approximately 2886 feet to approximately 5657 feet through 2 7/8 inch plastic lined tubing set in a packer located at approximately 2850 feet.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

Prior to commencing injection operations into the well, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing or packer.

The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 577 psi.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Delaware formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Artesia district office of the Division of the date and time of the installation of disposal equipment and of the mechanical integrity test, so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Artesia district office of the Division of the failure of the tubing, casing or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

Administrative Order No. SWD-461
Dakota Resources, Inc.
May 4, 1992
Page 3

PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for such further order or orders as may be deemed necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the operator to conduct operations in a manner which will ensure the protection of fresh water or in a manner inconsistent with the requirements set forth in this order, the Division may, after notice and hearing, terminate the injection authority granted herein.

The operator shall submit monthly reports of the disposal operations in accordance with Rule 706 and 1120 of the Division Rules and Regulations.

Approved at Santa Fe, New Mexico, on this 4th day of May, 1992.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

S E A L

cc: Oil Conservation Division - Artesia
US Bureau of Land Management - Carlsbad

jc\



Water Analysis

Date: 08-Oct-13

2708 West County Road, Hobbs NM 88240
Phone (575) 392-5556 Fax (575) 392-7307

Analyzed For

Company	Well Name	County	State
Mewbourne Oil & Gas	Derringer 18 Fed 2 H	Lea	New Mexico

Sample Source	Swab Sample	Sample #	1
Formation	Depth		

Specific Gravity	1.145	SG @ 60 °F	1.147
pH	6.78	Sulfides	Absent
Temperature (°F)	70	Reducing Agents	

Cations

Sodium (Calc)	in Mg/L	66,859	in PPM	58,190
Calcium	in Mg/L	8,000	in PPM	6,975
Magnesium	in Mg/L	1,200	in PPM	1,006
Soluable Iron (FE2)	in Mg/L	2.0	in PPM	2

Anions

Chlorides	in Mg/L	120,000	in PPM	104,621
Sulfates	in Mg/L	300	in PPM	262
Bicarbonates	in Mg/L	78	in PPM	68
Total Hardness (as CaCO3)	in Mg/L	25,000	in PPM	21,796
Total Dissolved Solids (Calc)	in Mg/L	196,439	in PPM	171,163
Equivalent NaCl Concentration	in Mg/L	171,778	in PPM	149,163

Scaling Tendencies

*Calcium Carbonate Index 624,641

Below 500,000 Remote / 500,000 - 1,000,000 Possible / Above 1,000,000 Probable

*Calcium Sulfate (Gyp) Index 2,400,000

Below 500,000 Remote / 500,000 - 10,000,000 Possible / Above 10,000,000 Probable

*This Calculation is only an approximation and is only valid before treatment of a well or several weeks after treatment.

Remarks rw=.05@70f

Report # 3235