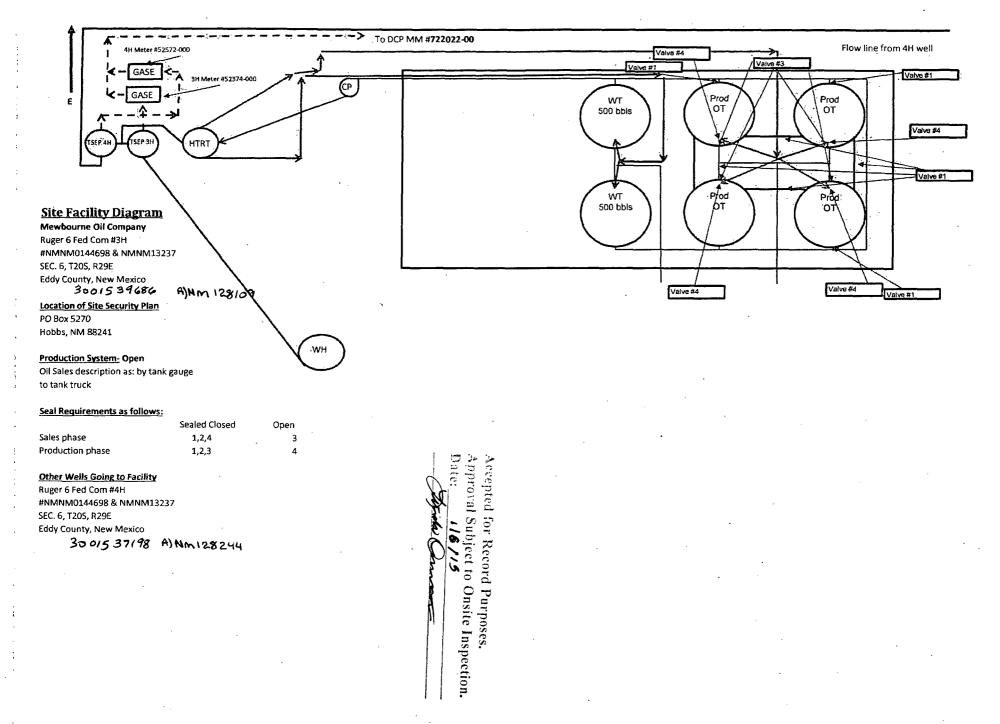
	UNITED STATES EPARTMENT OF THE II UREAU OF LAND MANA	NTERIOR	Expires	1 APPROVED NO. 1004-0135 :: July 31, 2010
	NOTICES AND REPO		5. Lease Serial No. NMNM13237	
	is form for proposals to II. Use form 3160-3 (AP		6. If Indian, Allottee	or Tribe Name
SUBMIT IN TRI	PLICATE - Other instruc	ctions on reverse side.	7. If Unit or CA/Agr	eement, Name and/or No.
1. Type of Well Ø Oil Well Gas Well Oth	ner		8. Well Name and No RUGER 31 MP	
2. Name of Operator MEWBOURNE OIL COMPAN	Contact:	JACKIE LATHAN lewbourne.com	9. API Well No. 30-015-40242	. •
3a. Address PO BOX 5270 HOBBS, NM 88421	· · · · · · · · · · · · · · · · · · ·	3b. Phone No. (include area code) Ph: 575-393-5905	10. Field and Pool, o WINCHESTEF	r Exploratory BONE SPRINGS
4. Location of Well (Footage, Sec., 7	., R., M., or Survey Description)	11. County or Parish	, and State
Sec 31 T19S R29E Mer NMP	SWSW 715FSL 50FWL		EDDY COUNT	Y, NM
12. CHECK APPI	ROPRIATE BOX(ES) TO	O INDICATE NATURE OF 1	NOTICE, REPORT, OR OTHI	ER DATA
TYPE OF SUBMISSION		· TYPE OI	FACTION	
□ Notice of Intent	Acidize	Deepen	□ Production (Start/Resume)	U Water Shut-Off
Subsequent Report	Alter Casing	Fracture Treat	□ Reclamation	Well Integrity
☐ Final Abandonment Notice	 Casing Repair Change Plans 	New Construction Plug and Abandon	Recomplete Temporarily Abandon	☑ Other Site Facility Diagr
	Convert to Injection	Plug Back	☐ Water Disposal	m/Security Plan
Attach the Bond under which the wo following completion of the involved	ally or recomplete horizontally, rk will be performed or provide d operations. If the operation re bandonment Notices shall be fil	give subsurface locations and measu the Bond No. on file with BLM/BIA sults in a multiple completion or reco	tred and true vertical depths of all pert A. Required subsequent reports shall b completion in a new interval, a Form 31 ling reclamation, have been completed	inent markers and zones. the filed within 30 days 60-4 shall be filed once and the operator has
Please see the attached Site wells:	5-40242	MOIL CONSERVATIO	CONDIT	ATTACHED FOR IONS OF APPROVAL
 Ruger 31 Fed #1 30-015-3 Ruger 31 Fed #2 30-015-3 Ruger 31 Fed #3 30-015-3 Ruger 6 Fed #1 30-015-3 Ruger 6 Fed #2 30-015-3 	33904 35067 3905	ARTESIA DISTRICT	Accepted for Record P Approval Subject to O	urposes. nsite Inspection.
		RECEIVED	Date: 1/6/15 Djrola Om	
14. I hereby certify that the foregoing is Name (Printed/Typed) REID SH	Electronic Submission # For MEWBOU Committed to AFMSS fo	255922 verified by the BLM We RNE OIL COMPANY, sent to th r processing by LINDA DENNIS Title ENGIN	e Carlsbad STON on 12/02/2014 ()	HED 1/14/15
Signature (Electronic	, Submission)	Date 08/06/2	2014	
	THIS SPACE FO	OR FEDERAL OR STATE		
		Title	· ·	Date
Approved By	ed. Approval of this notice does	s not warrant or		· · · · ·
Conditions of approval, if any, are attached certify that the applicant holds legal or eq which would entitle the applicant to cond	uitable title to those rights in th	Office		
Conditions of approval, if any, are attached certify that the applicant holds legal or eq	uitable title to those rights in th uct operations thereon.	Office	I willfully to make to any department o	or agency of the United



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Kuyer 6#3H battery WATER PRODUCTION & DISPOSAL INFORMATION

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

Name of formations producing water on the lease.

1.

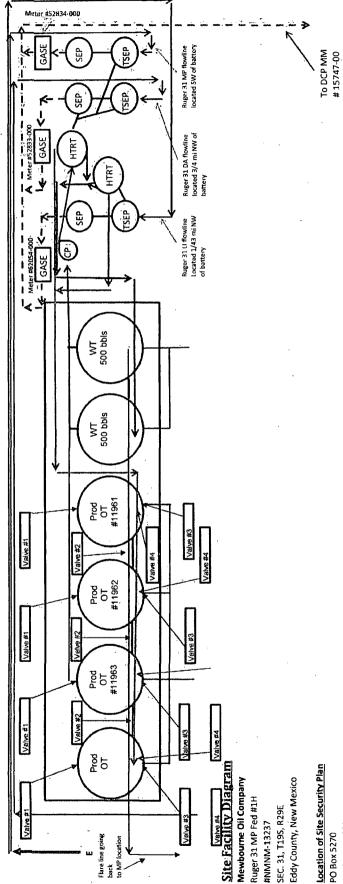
Bone Springs 2. Amount of water produced from all formations in barrels per day. 14 D (V R 3. Attach a current water analysis of produced water from all zones showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates. (One sample will suffice if water is commingled.) 2-500 bbi fiberglass tanks How water is stored on lease. 4. How water is moved to the disposal facility. Truck haved by 3rd facty 5. 6. Identify the Disposal Facility by: Membourne Dil Compary A. Facility Operators name. B. Name of facility or well name and number. Deccinated 18 Feb. Swo #1 C. Type of facility or well (WDW) (WIW) etc. NDW D. Location by 1/1 / SESW Section 18 Township LOS Range 29E

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.)

Accepted for Record Purposes. Approval Subject to Onsite Inspection. Date: 1/6/15

Date: 1/6/15 torrda K



PO Box 5270

Hobbs, NM 88241

Production System- Open

Oil Sales description as: by tank gauge to tank truck

Seal Requirements as follows:

Production phase Sales phase

Other Wells on Location Ruger 31 LI Fed #1H

SEC. 31, T19S, R29E Eddy County, New Mexico #NMNM-13237

SEC. 31, T19S, R29E Eddy County, New Mexico Ruger 31 DA Fed #1H #NMNM-13237

A DESTRUCTION

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> Sealed Closed 1,2,4 1,2,3

Accepted for Record Purposes. Approval Subject to Onsite Inspection. Date:______1/6/15

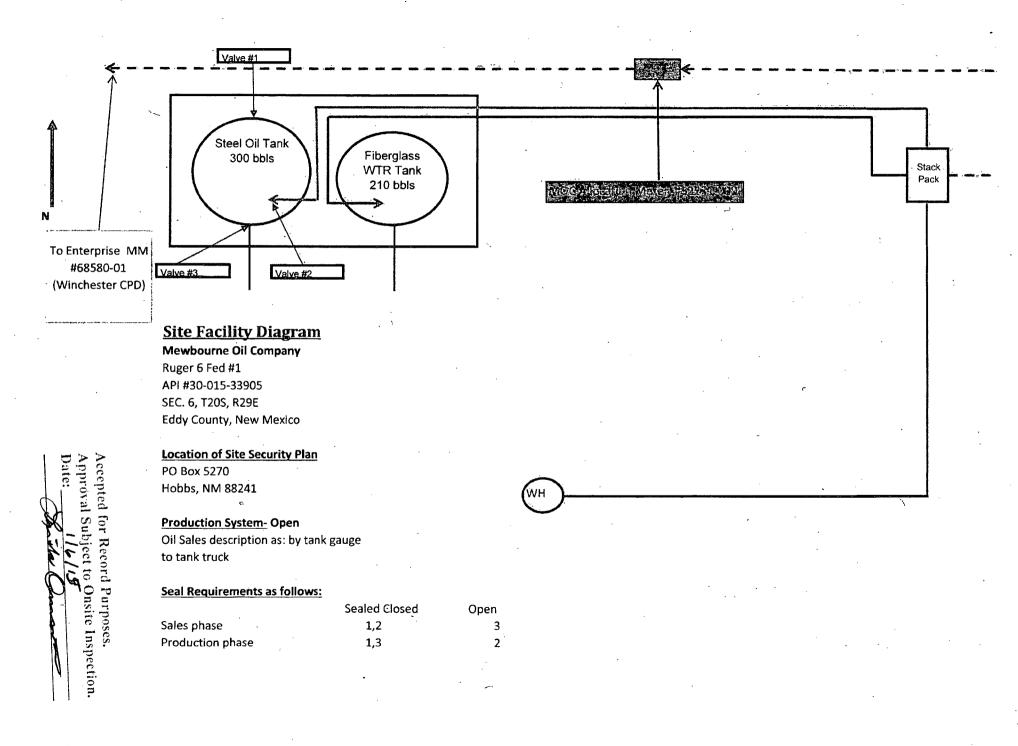
Ruger 31 MP battery WATER PRODUCTION & DISPOSAL INFORMATION

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

1.	Name of formations producing water on the lease.
	Bore Springs
2.	Amount of water produced from all formations in barrels per day.
	800 BPD
	Attach a current water analysis of produced water from all zones showing at least total dissolved solids, ph, and the concentrations of chlorides and sulfates. (One aple will suffice if water is commingled.)
4.	How water is stored on lease. 2 Siberglass 500 bb1 tanks
5.	How water is moved to the disposal facility. Truck have by 313 purty
6.	Identify the Disposal Facility by: A. Facility Operators name. <u>Meubourne Oil Company</u>
	B. Name of facility or well name and number. $\underline{Dettinget 18 Fel S} WD #1$
	C. Type of facility or well (WDW) (WIW) etc.
	D. Location by 1/4 SESUSection 18 Township DOS Range 29E
7	Attach a conv of the State issued normit 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.)

Accepted for Record Purposes. Approval Subject to Onsite Inspection. Date: 1/6/15



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Kuger 6 #1 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.

Norrow/Atoka

t BPD

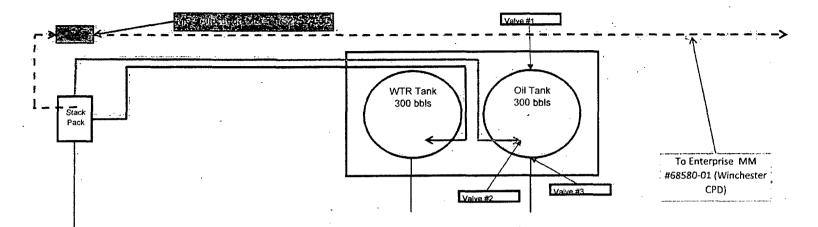
2. Amount of water produced from all formations in barrels per day.

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. 1-210 bbl Fiberglass tank
5. .	How water is moved to the disposal facility. Truck havled by 3rd party
6.	Identify the Disposal Facility by: A. Facility Operators name. <u>Messbowene Oct Company</u>
	B. Name of facility or well name and number. Derringer 18 Fed SWD#1
	C. Type of facility or well (WDW) (WIW) etc.
	D. Location by 1/4 1/4 SESW Section 16 Township 205 Range 29E

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.)



WН

Site Facility Diagram

Mewbourne Oil Company Ruger 31 Fed #1 API #30-015-33554 SEC. 31, T19S, R29E Eddy County, New Mexico

Location of Site Security Plan

PO Box 5270 Hobbs, NM 88241

(27) A start of the start of

Production System- Open

Oil Sales description as: by tank gauge to tank truck

Seal Requirements as follows:

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

Accepted for Record Purposes. Approval Subject to Onsite Inspection. Date: 1/6/15

S

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.

Morrow

2. Amount of water produced from all formations in barrels per day.

.5 BPD

Ruger 31#1

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.)

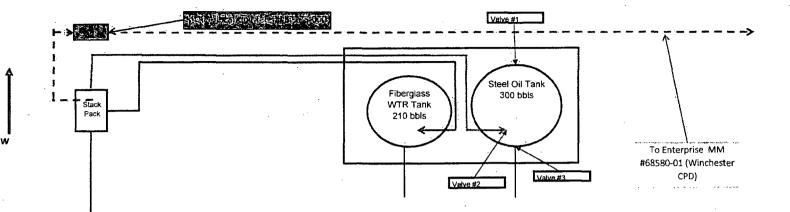
4.	How water is stored on lease. 1-300 bbl fiberglass tank
5.	How water is moved to the disposal facility. Truck haules by 3rd party
6.	Identify the Disposal Facility by: A. Facility Operators name. <u>Mewhourne Oil Company</u>
	B. Name of facility or well name and number. Decongec 18 Fed. SWD #1
	C. Type of facility or well (WDW) (WIW) etc.
	D. Location by 1/4 SESW Section 18 Township 205 Range 29E

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.)

Accepted for Record Purposes. Approval Subject to Onsite Inspection.

Date:_____116/15 Thinkor C



Site Facility Diagram

Mewbourne Oil Company Ruger 31 Fed #2 API #30-015-33904 SEC. 31, T19S, R29E Eddy County, New Mexico

Location of Site Security Plan

PO 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	3
Production phase	.1,3	2

Accepted for Record Purposes. Approval Subject to Onsite Inspection.

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Ruger 31 #2

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.

t BPD

Morrow, Atoka

2. Amount of water produced from all formations in barrels per 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.)

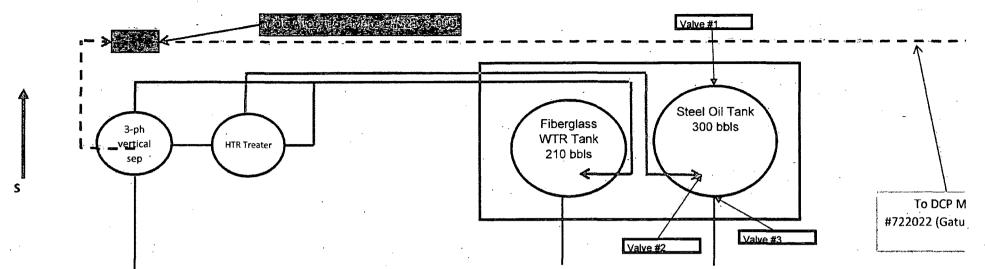
4.	How water is stored on lease. 1-210 bbl fiberglass tank
5.	How water is moved to the disposal facility. truck have by 31 1 party
6.	Identify the Disposal Facility by: A. Facility Operators name. <u>Mewbowcne, On Company</u>
	B. Name of facility or well name and number. $Derr_{out} = 16 Fel SwD \#1$
	C. Type of facility or well (WDW) (WIW) etc.
	D. Location by 1/4 1/ SESW Section 18 Township 208 Range 29E

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.)

Accepted for Record Purposes. Approval Subject to Onsite Inspection.

,116/15 Date: in (



Site Facility Diagram

Mewbourne Oil Company Ruger 31 Fed #3 API #30-015-35067 SEC. 31, T19S, R29E Eddy County, New Mexico

Location of Site Security Plan

PO Box 5270 Hobbs, NM 88241

Production System- Open

Oil Sales description as: by tank gauge to tank truck

Seal Requirements as follows:

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

C

Accepted for Record Purposes. Approval Subject to Onsite Inspection.

WH Pumping Unit

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Kuger 31#3 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.

RPD

Delaware

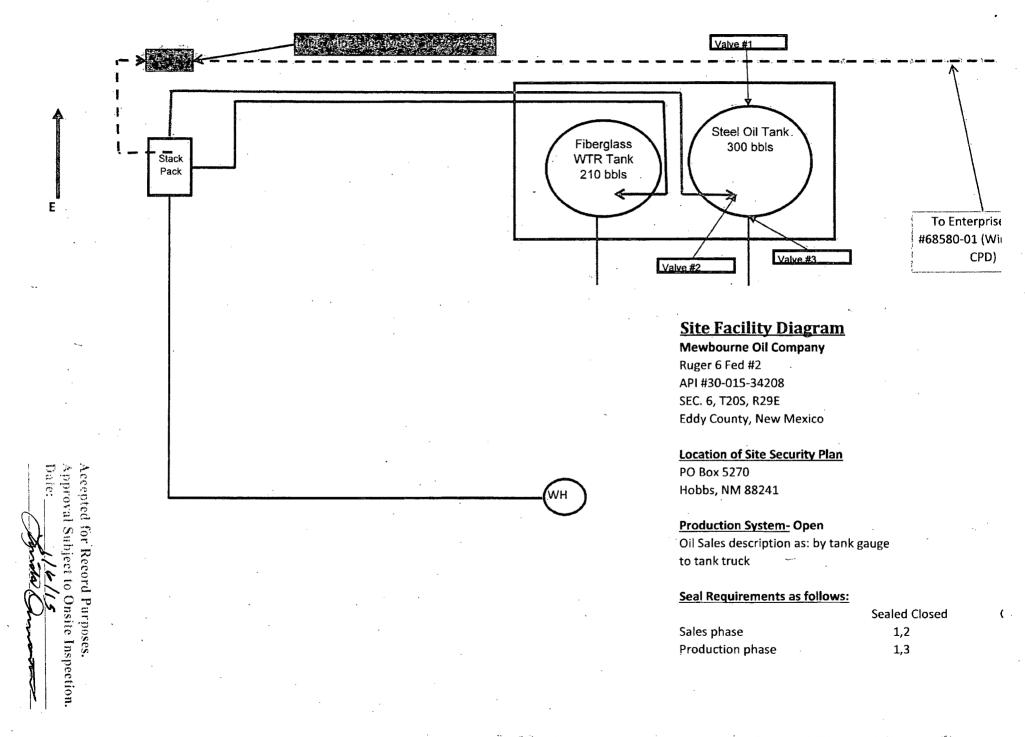
2. Amount of water produced from all formations in barrels per day.

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. 1-210 bbl Fiberglass tank
5.	How water is moved to the disposal facility. Truck hauted by 3rd party
6.	Identify the Disposal Facility by: A. Facility Operators name. <u>Mewbourne Dil Company</u>
	B. Name of facility or well name and number. Dertinger 18 Fed SWD #1
	C. Type of facility or well (WDW) (WIW) etc.
	D. Location by 1/4 SESW Section 18 Township 208 Range 29E

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.)



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Kuzer 6 #2 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.

TRPD

Morrow

2. Amount of water produced from all formations in barrels per 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. 1-210 bb1 fiberglass tank
5.	How water is moved to the disposal facility. Truck basted by Sid Part;
6.	Identify the Disposal Facility by: A. Facility Operators name. <u>Mewbourne 0.1 Company</u>
	B. Name of facility or well name and number. <u>Deringer 18 Fel SUD</u> #1
	C. Type of facility or well (WDW) (WIW) etc.
	D. Location by 1/4 JESU Section 18 Township 205 Range 29E

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.)

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary-Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Balley, Division Director Oll Conservation Division



Administrative Order SWD-1425 July 3, 2013

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Pursuant to the provisions of 19.15.26.8B NMAC, Mewbourne Oil Company (the "operator"), seeks an administrative order to utilize its Derringer Federal SWD No. 1 with a location of 660 feet from the South line and 1980 feet from the West line, Unit letter N of Section 18, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, for produced water disposal purposes.

THE DIVISION DIRECTOR FINDS THAT:

The application has been duly filed under the provisions of 19.15.26.8B NMAC and satisfactory information has been provided that affected parties as defined in said rule have been notified and no objections have been received within the prescribed waiting period. The applicant has presented satisfactory evidence that all requirements prescribed in 19.15.26.8 NMAC have been met and the operator is in compliance with 19.15.5.9 NMAC.

IT IS THEREFORE ORDERED THAT:

The applicant, Mewbourne Oil Company (ORID 14744), is hereby authorized to utilize its Derringer Federal SWD Well No. 1 (API 30-015-30828) with a location of 660 feet from the South line and 1980 feet from the West line, Unit letter N of Section 18, Township 20 South, Range 29 East, NMPM, Eddy County, for disposal of oil field produced water (UIC Class II only) into the Devonian formations through open hole from approximately 12600 feet to 13200 feet. Injection will occur through internally coated tubing and a packer set within 100 feet of the permitted interval.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the disposed water enters only the approved disposal interval and is not permitted to escape to other formations or onto the surface. This includes all changes in well construction proposed and described in the application.

The operator shall supply the Division's Engineering Bureau with a copy of a mud log over the permitted disposal interval and an estimated insitu water salinity for the permitted disposal interval developed from open-hole log correlations. If significant hydrocarbon shows occur while drilling, the operator shall receive permission in writing from the Division prior to commencing disposal.

> 1220 South St. Francis Drive • Santa Fe, New Mexico 87505 Phone (505) 476-3440 • Fax (505) 476-3462 • email: www.emnrd.state.nm.us/ocd

Administrative Order SWD-1425 Mewbourne Oil Company July 3, 2013 Page 2 of 3

After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. The casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The well shall pass an initial mechanical integrity test ("MIT") prior to initially commencing disposal and prior to resuming disposal each time the disposal packer is unseated. All MIT testing procedures and schedules shall follow the requirements in Division Rule 19.15.26.11A. NMAC. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in this well.

The wellhead injection pressure on the well shall be limited to no more than 2520 psig. In addition, the disposal well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface tubing pressure to the maximum allowable pressure for this well.

The Director of the Division may authorize an increase in tubing pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the disposed fluid from the target formation. Such proper showing shall be demonstrated by sufficient evidence including but not limited to an acceptable Step-Rate Test.

The operator shall notify the supervisor of the Division's district II office of the date and time of the installation of disposal equipment and of any MIT test so that the same may be inspected and witnessed. The operator shall provide written notice of the date of commencement of disposal to the Division's district office. The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Division Rules 19.15.26.13 and 19.15.7.24 NMAC.

Without limitation on the duties of the operator as provided in Division Rules 19.15.29 and 19.15.30 NMAC, or otherwise, the operator shall immediately notify the Division's district Il office of any failure of the tubing, casing or packer in the well, or of any leakage or release of water, oil or gas from around any produced or plugged and abandoned well in the area, and shall take such measures as may be timely and necessary to correct such failure or leakage.

The injection authority granted under this order is not transferable except upon division approval. The division may require the operator to demonstrate mechanical integrity of any injection well that will be transferred prior to approving transfer of authority to inject.

The division may revoke this injection permit after notice and hearing if the operator is in violation of 19.15.5.9 NMAC.

The disposal authority granted herein shall terminate two (2) years after the effective date of this order if the operator has not commenced injection operations into the subject well. One year after the last date of reported disposal into this well, the Division shall consider the well abandoned, and the authority to dispose will terminate *ipso facto*. The Division, upon written Administrative Order SWD-1425 Mewbourne Oil Company July 3, 2013 Page 3 of 3

request mailed by the operator prior to the termination date, may grant an extension thereof for good cause.

Compliance with this order does not relieve the operator of the obligation to comply with other applicable federal, state or local laws or rules, or to exercise due care for the protection of fresh water, public health and safety and the environment.

Jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the disposal authority granted herein.

JAMT BAILEY Director

JB/prg

cc: Oil Conservation Division – Artesia District Office United States Bureau of Land Management – Carlsbad Office

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Disposal of Produced Water From Federal Wells Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approval:

- 1. This agency shall be notified of any change in your method or location of disposal.
- 2. Compliance with all provisions of Onshore Order No. 7.
- 3. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
- 5. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
- 6. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
- 7. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.

8. Disposal at any other site will require prior approval.

9. Subject to like approval by NMOCD.

7/10/14