

HOLLAND & HART



William F. Carr
wcarr@hollandhart.com

February 1, 2011

VIA HAND DELIVERY

Mr. Daniel Sanchez
Acting Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Case 14606

RECEIVED OCD
201 FEB - 1 P 3:05

Re: Application of Mewbourne Oil Company. for approval of a salt water disposal well, Eddy County, New Mexico.

Dear Mr. Sanchez:

Enclosed is an original and one copy of the application of Mewbourne Oil Company in the above-referenced case (Oil Conservation Division Form C-108) as well as a copy of a legal advertisement.

Mewbourne Oil Company requests that this matter be placed on the docket for the March 3, 2011 Examiner Hearings.

Very truly yours,

William F. Carr
Ocean Munds-Dry
Attorneys for Chevron U.S.A., Inc.
Enclosures

cc: Oil Conservation Division
District II
1301 W. Grand Avenue
Artesia, New Mexico 88210

Holland & Hart LLP

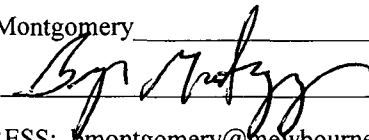
Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Denver Aspen Boulder Colorado Springs Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Salt Lake City Santa Fe Washington, D.C. ☏

Case 14606

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage
Application qualifies for administrative approval? Yes X No
- II. OPERATOR: Mewbourne Oil Company
ADDRESS: 3901 S. Broadway Tyler, TX 75701
CONTACT PARTY: Bryan Montgomery PHONE: (903) 561-2900
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? Yes X No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review. **See attached map.**
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail. **See attached schematic for the Fairchild 24 #1**
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: Bryan Montgomery TITLE: Manager of Economics and Evaluations
SIGNATURE:  DATE: January 21, 2011
E-MAIL ADDRESS: bmontgomery@mewbourne.com
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

INJECTION WELL DATA SHEET

OPERATOR: Mewbourne Oil Company

WELL NAME & NUMBER: Fairchild 13 #1 SWD

WELL LOCATION: 660 FSL & 660 FWL
FOOTAGE LOCATIONM
UNIT LETTER13
SECTION19S
TOWNSHIP25E
RANGEWELLBORE SCHEMATIC (See Attached)WELL CONSTRUCTION DATASurface Casing

Hole Size: 14 3/4 in

Casing Size: 9 5/8 in set at 1173 feet

Cemented with: 1050 sx.

or _____ ft³

Top of Cement: surface

Method Determined: circulated

Intermediate Casing

Hole Size: _____

Casing Size: _____

Cemented with: _____ sx.

or _____ ft³

Top of Cement: _____

Method Determined: _____

Production Casing

Hole Size: 8 3/4 in

Casing Size: 7 in

Cemented with: 820 sx.

or _____ ft³

Top of Cement: surface

Method Determined: circulated

Total Depth: Drill to 8200 feet

and set casing at 7800 feet

Injection Interval

7800 feet

To 8200 feet

Open Hole

INJECTION WELL DATA SHEET

Tubing Size: 2 7/8 in

Lining Material: TK99 plastic

Type of Packer: Arrowset 1X Nickel Plated (10,000#)

Packer Setting Depth: 7700 feet

Other Type of Tubing/Casing Seal (if applicable): None

Additional Data

1. Is this a new well drilled for injection? No

If no, for what purpose was the well originally drilled? Canyon (Upper Penn) test.

Determined non-commercial and plugged in February, 1998 without any formation tests.

2. Name of the Injection Formation: Canyon (Upper Penn) – Open hole

3. Name of Field or Pool (if applicable): North Dagger Draw Upper Penn

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. No perforations.

See attached C103 plugging record from 1992.

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

Overlying producing zone – Yeso at 2640 feet

Underlying producing zone – Strawn at 8210 feet

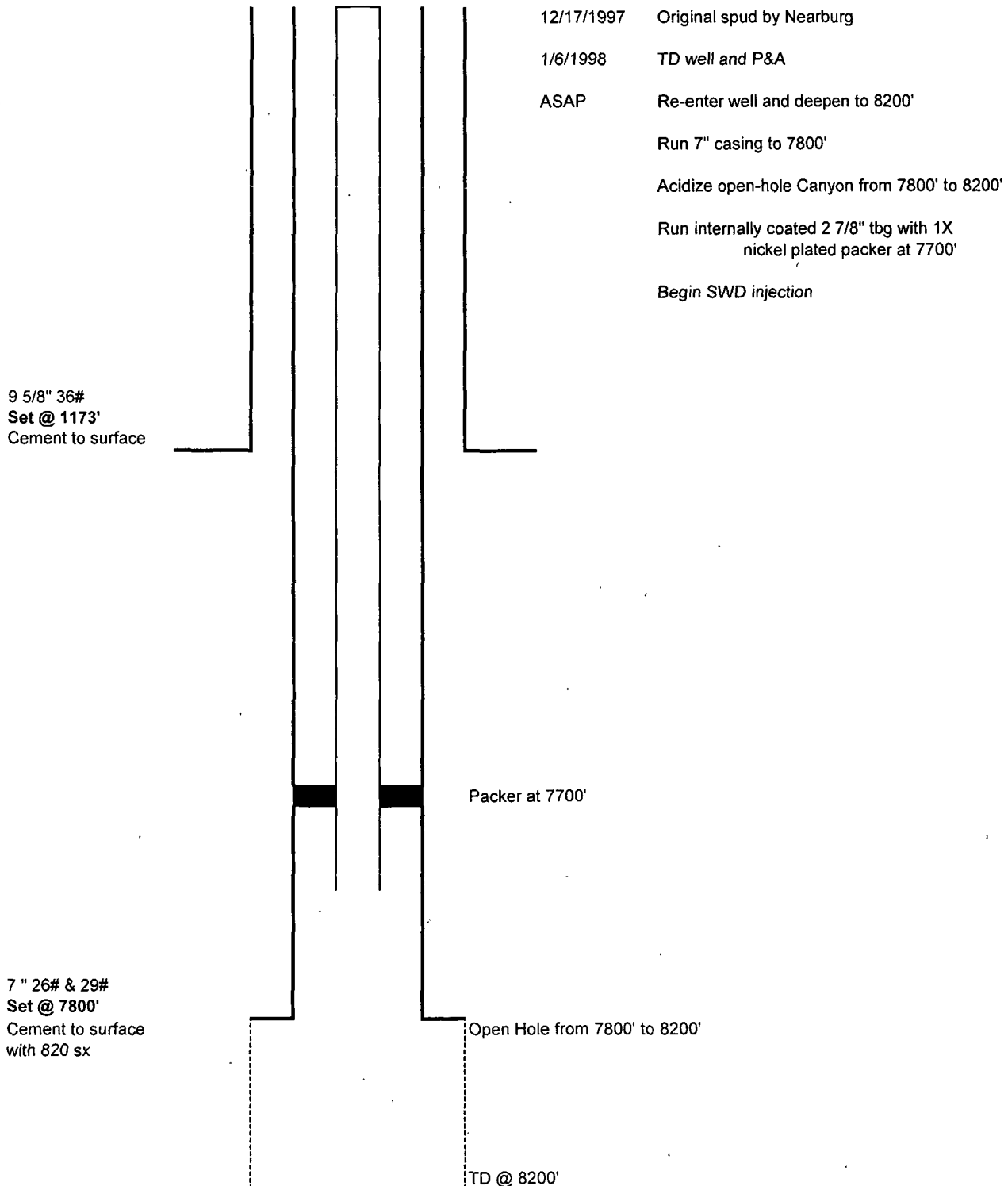
Proposed Wellbore Diagram

Operator: Mewbourne Oil Company

Well Name: Fairchild "13" #1 SWD

Location: 660 FSL & 660 FWL Section 13 19S-25E Eddy Co, NM
API# 30-015-29729
Current status: P&A

Updated by: B. Montgomery
Date Updated: 1/21/11



Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

| |
|--|
| WELL API NO. 30-015-29729 |
| Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| State Oil & Gas Lease No. |

| | |
|--|--|
| SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) | |
| Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> | Lease Name or Unit Agreement Name Fairchild "13" |
| Name of Operator Nearburg Producing Company | Well No. 1 |
| Address of Operator 3300 North A Street, Building 2, Suite 120, Midland, Texas 79705 | Pool name or Wildcat Dagger Draw, Upper Penn, North |
| Well Location Unit Letter <u>M</u> <u>660</u> Feet From The <u>South</u> Line and <u>660</u> Feet From The <u>West</u> Line Section <u>13</u> Township <u>19S</u> Range <u>25E</u> NMPM <u>Eddy</u> County | |
| Elevation (Show whether DF, RKB, RT, GR, etc.) 3,414' GR | |

11

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS ☐ PLUG AND ANBANDONMENT ☒
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103

- 1) Set 45 sx cement plug from 7,826'-7,700'
- 2) Set 45 sx cement plug from 6,826'-6,700'
- 3) Set 140 sx cement plug from 6,093'-5,982'. PUH & WOC. TIH & tag cmt @ 5,925'.
- 4) Set 40 sx cement plug from 2,767'-2,648'.
- 5) Set 60 sx cement plug from 1,241'-1,123'. WOC & tag cmt at 1,144'.
- 6) Set 10 sx cement plug from surface. ND BOPE. Cut off csg & cap well.
- 7) RDMO drilling rig.
- 8) P&A'd well. Final report.

Post ID-2
9-4-98
PKA

1998 FEB
RECEIVED
OCD - ARTESIA

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE E. Scott Kimbrough TITLE Manager of Drilling and Production DATE 2/20/98

TYPE OR PRINT NAME E. Scott Kimbrough TELEPHONE NO (915) 686-8235

(This space for State Use)

APPROVED BY Jim W. Bunn TITLE District Supervisor DATE 3/12/99

CONDITIONS OF APPROVAL, IF ANY

[illegible]

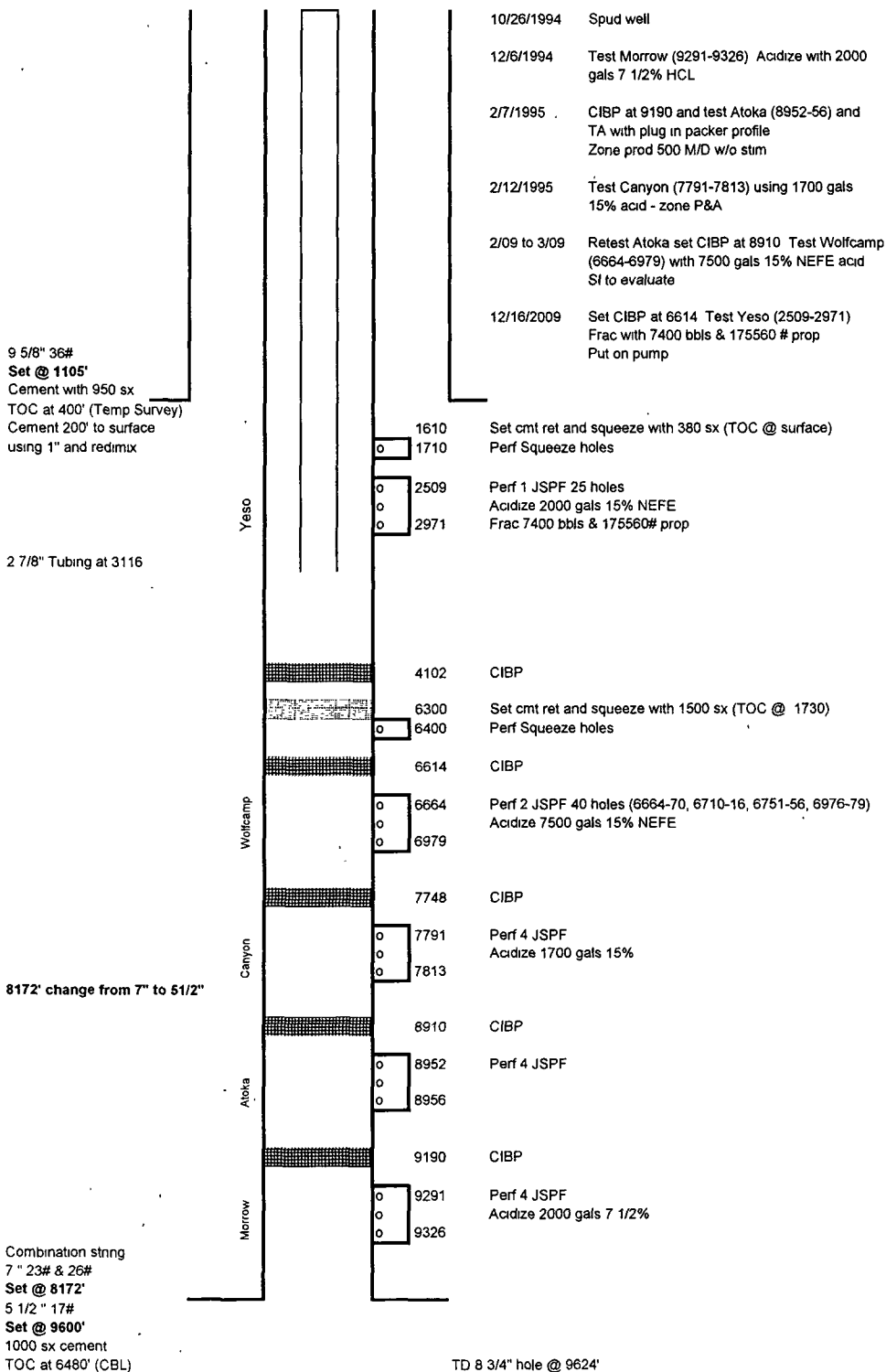
Wellbore Diagram

Operator: Nearburg Producing Company

Well Name: Fairchild 24 #1

Location 2100 FNL & 900 FWL section 24 19S-25E Eddy Co, NM
API# 30-015-28151
Current status Producing Yeso well

Updated by: B. Montgomery
Date Updated 1/21/11



Fairchild 13 #1 SWD C-108
Additional Details

- VII.** 1. Proposed average rate of 5000 bwpd and maximum rate of 10,000 bwpd.
2. Closed system.
3. Proposed average injection pressure is unknown and the maximum injection pressure is 1560 psig (0.2 psi/ft).
4. Injection fluid will be from the Mewbourne Oil Company operated Yeso producing wells in the area. See attached water analysis for both the Yeso and Canyon produced water in this area and the water mixing reports of those waters.
5. See attached analysis.
- VIII.** 1. The proposed injection interval is in the Canyon (Upper Penn) formation which is a porous dolomite about 240' thick at depths 7843' – 8083'.
2. The underground fresh water aquifers (unnamed) are present at shallow depths down to about 750'. There are no known fresh water intervals underlying the injecting formation.
- IX.** The proposed stimulation is an ope-hole acid treatment of 5000 gallons of 20% HCL.
- X.** All logs were filed with the OCD in 1997 when the Fairchild 13 #1 was drilled.
- XI.** See attached.
- XII.** Mewbourne Oil Company has examined geologic and engineering data and has found that there is no evidence of faulting between the proposed disposal zone and any underground sources of drinking water.
- XIII.** Proof of Notice
1. A certified letter, and a copy of this application, to offset operators are attached. Mewbourne Oil Company owns the surface.
2. N/A

Fairchild 13 # 1 SWD C-108 Application Attachments # 7-4&5

Samples of produced water were all taken 1/20/11 on the following wells

| | | | |
|--------------------|--------------------------|-----------------|----------------------|
| Mewbourne Oil Co | Wyatt Draw 18/19 LD # 1H | Yeso horizontal | (Sec |
| 18/19, T19S, R26E) | | | |
| Mewbourne Oil Co | Wyatt Draw 24/25 LE # 1H | Yeso horizontal | (Sec |
| 24/25, T19S, R25E) | | | |
| Nearburg Producing | B & B # 4 | Cisco/Canyon | (Sec 22, T19S, R25E) |

These are the waters that would be commingled if Mewbourne Oil Company is granted permission to dispose water into Canyon zone we are requesting for the Fairchild 13 # 1 SWD well.

Samples were taken to BJ for complete composition analysis and are attached below.

Also attached are results of the compatibility study done by baker Hughes Petrolite.

The results concluded that these three waters are compatible together and could be commonly disposed of.

Individual Water Analyses

| Summary of Mixing Waters | | | |
|---------------------------------|----------------------|------------------|------------------|
| Sample Number | 538168 | 538169 | 538170 |
| Company | MEWBOURNE OIL CO | MEWBOURNE OIL CO | MEWBOURNE OIL CO |
| Lease | B & B C SISCO CANYON | WYATT DRAW 24/25 | WYATT DRAW 18/19 |
| Well | 4 | LE 1H | LD 1H |
| Sample Location | WELLHEAD | WELLHEAD | WELLHEAD |
| Anions (mg/L) | | | |
| Chloride | 1,842 | 89,335 | 5,432 |
| Bicarbonate | 976 | 988 | 780 |
| Sulfate | 2,330 | 4,287 | 2,827 |
| Cations (mg/L) | | | |
| Sodium | 2,019 | 55,640 | 3,896 |
| Magnesium | 59.0 | 640 | 199 |
| Calcium | 444 | 2,743 | 762 |
| Strontium | 7.50 | 48.0 | 11.0 |
| Barium | 0.10 | 0.10 | 0.10 |
| Iron | 21.0 | 3.50 | 1.50 |
| Potassium | 26.0 | 560 | 27.0 |
| Manganese | 0.90 | 0.10 | 0.06 |
| Anion/Cation Ratio | 1.00 | 1.00 | 1.00 |
| TDS (mg/L) | 7,726 | 154,244 | 13,936 |
| Density (g/cm) | 1.01 | 1.10 | 1.01 |
| Sampling Date | 1/19/11 | 1/19/11 | 1/19/11 |
| Account Manager | GENE ROGERS | GENE ROGERS | GENE ROGERS |
| Analyst | STACY SMITH | STACY SMITH | STACY SMITH |
| Analysis Date | 1/21/11 | 1/21/11 | 1/21/11 |
| pH at time of sampling | 7.50 | 7.00 | 7.50 |
| pH used in Calculations | 7.50 | 7.00 | 7.50 |



Baker Petrolite

Account Manager
GENE ROGERS

Water Analysis Report

MEWBOURNE OIL CO
B & B C SISCO CANYON
4
WELLHEAD

| Summary of Entered Data | | | | Sample 538168 @ 75°F | | | |
|--|-------------|-------------------------|-------|----------------------|----------------|-------|-------|
| Sampling Date | 1/19/11 | Anions | mg/l | meq/l | Cations | mg/l | meq/l |
| Analysis Date | 1/21/11 | Chloride | 1,842 | 52.0 | Sodium | 2,019 | 87.8 |
| Analyst | STACY SMITH | Bicarbonate | 976 | 16.0 | Magnesium | 59.0 | 4.85 |
| | | Carbonate | 0.00 | 0.00 | Calcium | 444 | 22.2 |
| TDS (mg/l or g/m ³) | 7,726 | Sulfate | 2,330 | 48.5 | Strontium | 7.50 | 0.17 |
| Density (g/cm ³ or tonne/m ³) | 1.0060 | Phosphate | N/A | N/A | Barium | 0.10 | 0.00 |
| Anion/Cation Ratio | 1.00 | Borate | N/A | N/A | Iron | 21.0 | 0.75 |
| | | Silicate | N/A | N/A | Potassium | 26.0 | 0.66 |
| Carbon Dioxide | 120 PPM | Hydrogen Sulfide | | 493 PPM | Aluminum | N/A | N/A |
| | | pH at time of sampling | | 7.50 | Chromium | N/A | N/A |
| | | pH at time of analysis | | | Copper | N/A | N/A |
| | | pH used in Calculations | | 7.50 | Lead | N/A | N/A |
| | | | | | Manganese | 0.90 | 0.03 |
| | | | | | Nickel | N/A | N/A |

Specific ion interactions calculated for ions in bold faced type; other ions contribute to ionic strength

| Conditions | | Values Calculated at the Given Conditions - Amounts of Scale in lb/1000bbl | | | | | | | | | | |
|------------|--------------|--|--------|--|--------|--------------------------------|--------|--------------------------------|--------|-----------------------------|--------|-----------------|
| Temp. | Gauge Press. | Calcite CaCO ₃ | | Gypsum CaSO ₄ •2H ₂ O | | Anhydrite CaSO ₄ | | Celestite SrSO ₄ | | Barite BaSO ₄ | | CO ₂ |
| °F | psi | Index | Amount | Index | Amount | Index | Amount | Index | Amount | Index | Amount | Fugacity psi |
| 80 | 0 00 | 1 09 | 96 | -0.20 | | -0.27 | | -0.30 | | 0 99 | 0 05 | 0 36 |
| 100 | 0 00 | 1 19 | 109 | -0 21 | | -0.22 | | -0.29 | | 0.83 | 0 05 | 0 50 |
| 120 | 0 00 | 1 29 | 123 | -0.22 | | -0.14 | | -0.27 | | 0 71 | 0 05 | 0 66 |
| 140 | 0 00 | 1.40 | 138 | -0.21 | | -0 04 | | -0.25 | | 0 60 | 0 04 | 0 85 |

Precipitation of each scale is considered separately; total scale will be less than the sum of the amounts of the five scales.

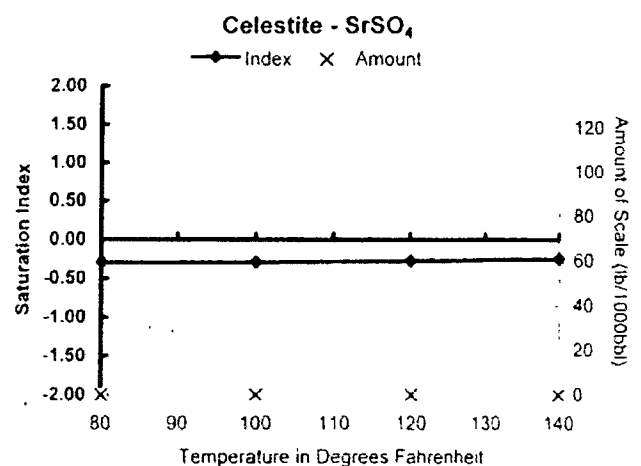
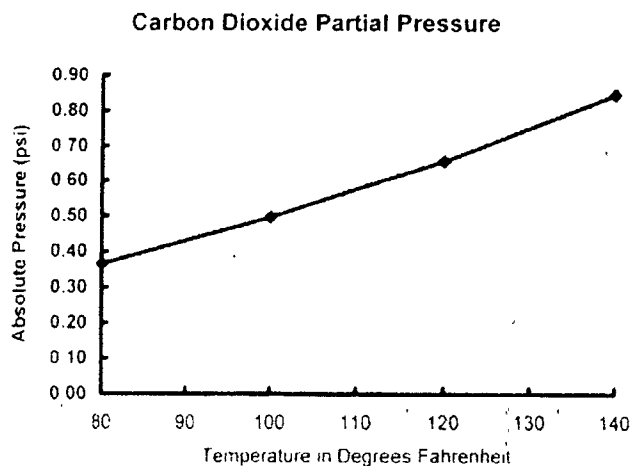
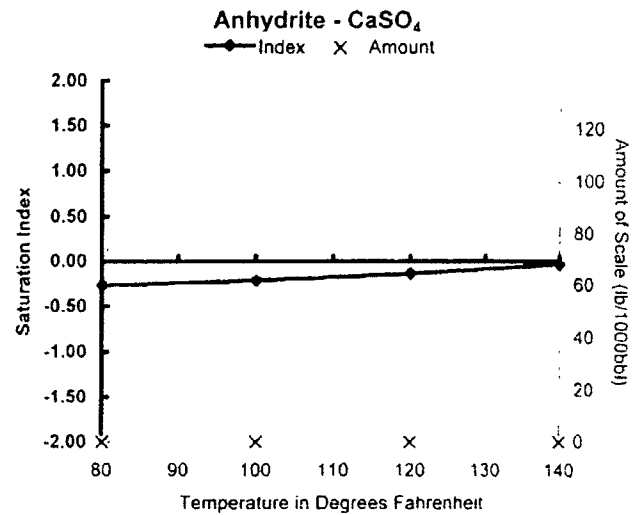
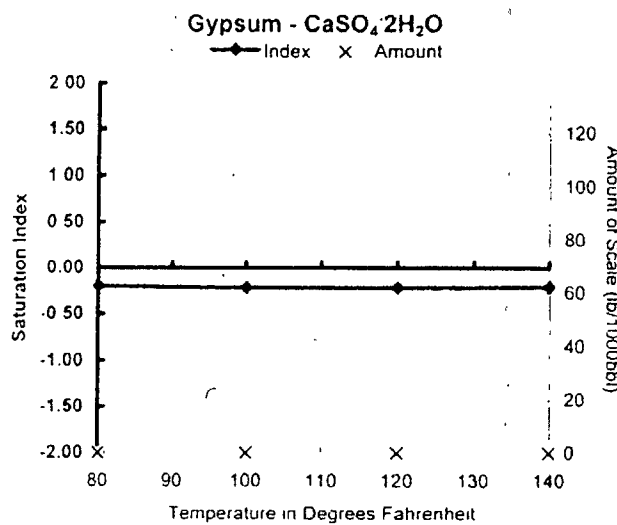
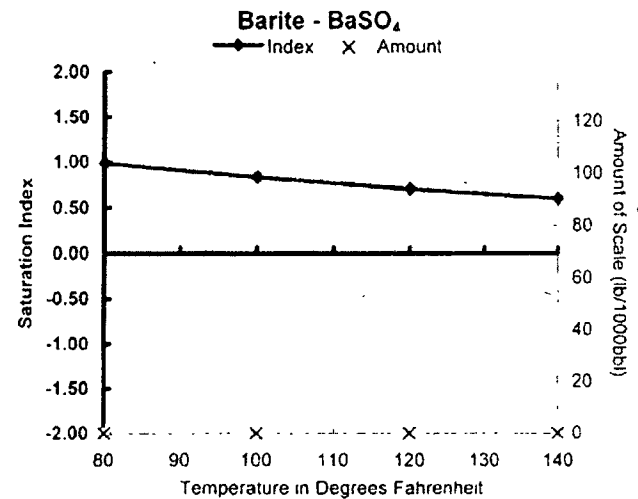
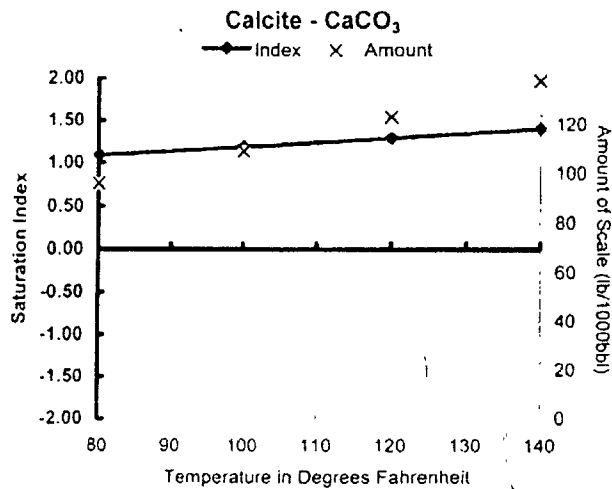
The amount of scale indicates the severity of the problem; the index (equivalent to Stiff Davis SI) indicates how difficult it is to control the problem.

The CO₂ fugacity is reported. Under usual conditions it is essentially the same as the CO₂ partial pressure.

Scale Predictions

For Sample 538168 @ 75°F from MEWBOURNE OIL CO, B & B C SISCO CANYON, 4, WELLHEAD, Jan/21/11

Baker Petrolite





BJ Services

WATER ANALYSIS

Artesia District Laboratory

(575) 746-3140

Operator: Mewbourne Oil Company
 Well: B&B #4
 Formation: Cisco Canyon
 Field:
 County:
 Depth: Cisco Canyon

Date: 012011
 District: Artesia
 Requested:
 Technician: Dustin
 Source:
 PFS Test #:
 M:Water Analysis\ Customer:

pH: 6.83
 Specific Gravity: 1.015

Temp (F): 63.8
 H2S:

CATIONS

| | mg/l | me/l | ppm |
|----------------|------|------|------|
| Sodium (calc.) | 1743 | 75.8 | 1718 |
| Calcium | 385 | 19.2 | 379 |
| Magnesium | 44 | 3.6 | 43 |
| Barium | < 25 | --- | --- |
| Potassium | < 10 | --- | --- |
| Iron | 0 | 0.0 | 0 |

ANIONS

| | | | |
|-------------|------|------|------|
| Chloride | 1600 | 45.1 | 1576 |
| Sulfate | 1600 | 33.3 | 1576 |
| Carbonate | < 1 | --- | --- |
| Bicarbonate | 1232 | 20.2 | 1214 |

Total Dissolved Solids(calc.) 6604 6507

Total Hardness as CaCO₃ 1141 22.8 1125

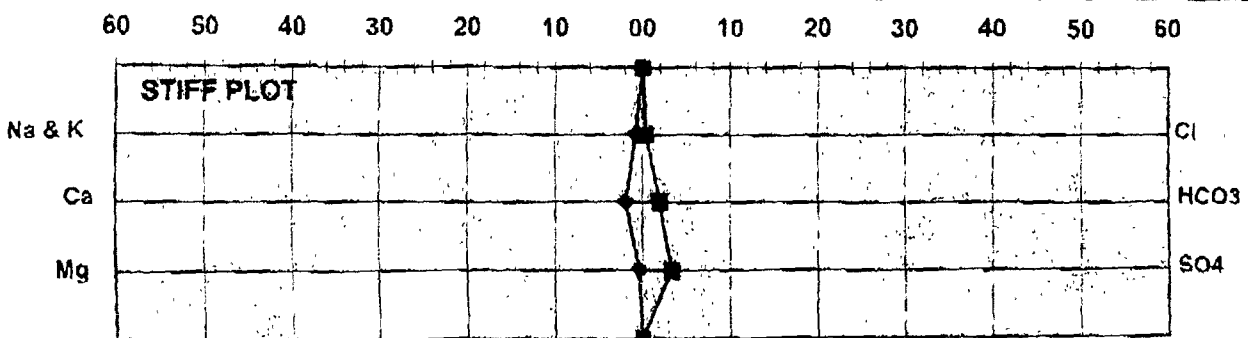
COMMENTS:

Resistivity is 1.2(325 gr/gal)

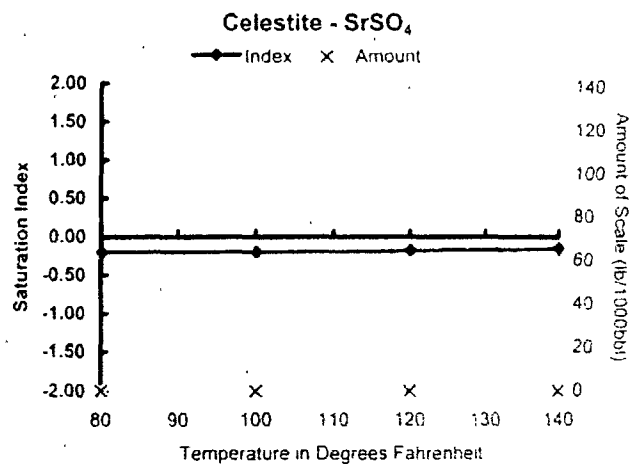
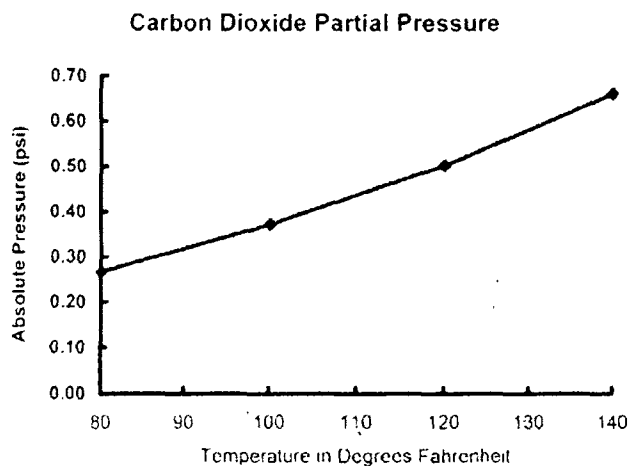
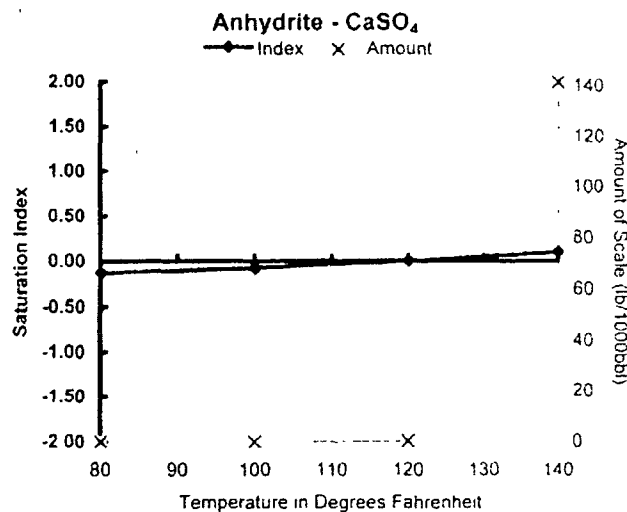
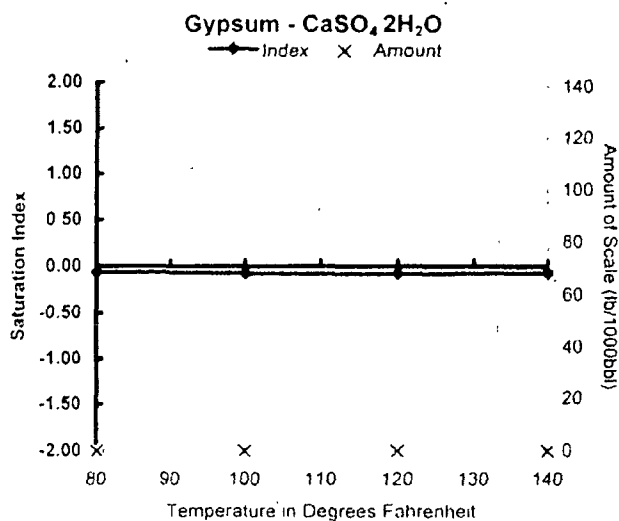
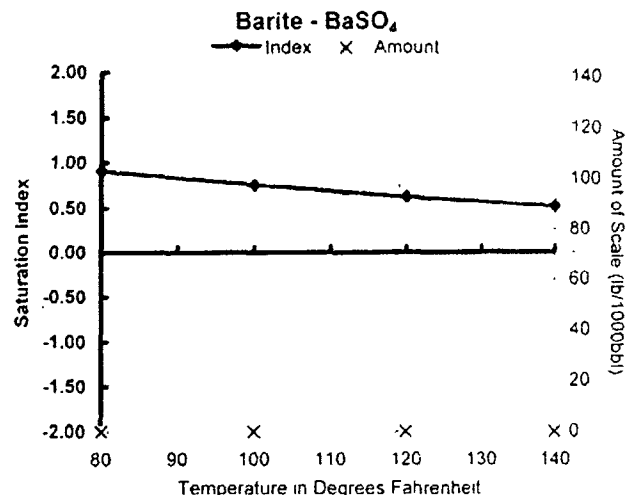
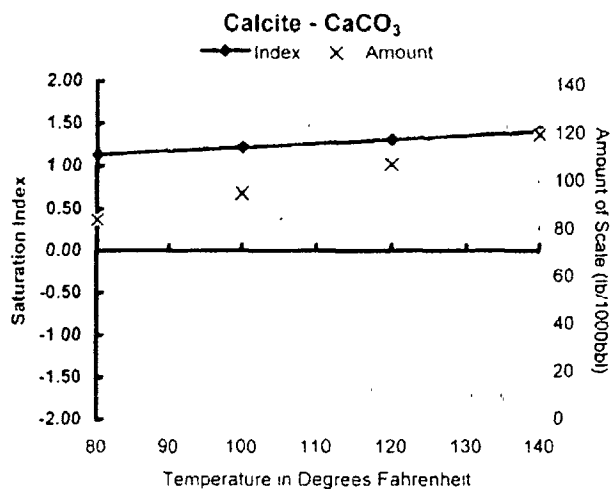
SCALE ANALYSIS:

CaCO₃ Factor 474347.712
 CaSO₄ Factor 615936

Calcium Carbonate Scale Probability Remote
 Calcium Sulfate Scale Probability: Possible



Sample 12117010 75°F from MEWBOURNE OIL CO, WYATT DRAW 18/19, LD 1H, WELLHEAD, Jan/21/11





BJ Services

WATER ANALYSIS

Artesia District Laboratory

(575) 746-3140

Operator: Mewbourne Oil Company Date: 012011
 Well: Wyatt Draw District: Artesia
 Formation: Yeso Requested:
 Field: Technician: Dustin
 County: Source:
 Depth: Yeso PFS Test #:
 M:Water Analysis\ Customer:

pH: 6.8 Temp (F): 68.3
 Specific Gravity: 1.015 H2S:

CATIONS

| | mg/l | me/l | ppm |
|----------------|------|------|-----|
| Sodium (calc.) | 683 | 29.7 | 673 |
| Calcium | 978 | 48.8 | 964 |
| Magnesium | 262 | 21.6 | 259 |
| Barium | < 25 | --- | --- |
| Potassium | < 10 | --- | --- |
| Iron | 0 | 0.0 | 0 |

ANIONS

| | | | |
|-------------|------|------|------|
| Chloride | 2000 | 56.4 | 1970 |
| Sulfate | 1600 | 33.3 | 1576 |
| Carbonate | < 1 | --- | --- |
| Bicarbonate | 634 | 10.4 | 625 |

Total Dissolved Solids(calc.) 6158 6067

Total Hardness as CaCO3 3524 70.4 3472

COMMENTS:

Resistivity is .65(650 gr/gal)

SCALE ANALYSIS:

CaCO3 Factor 620722.336

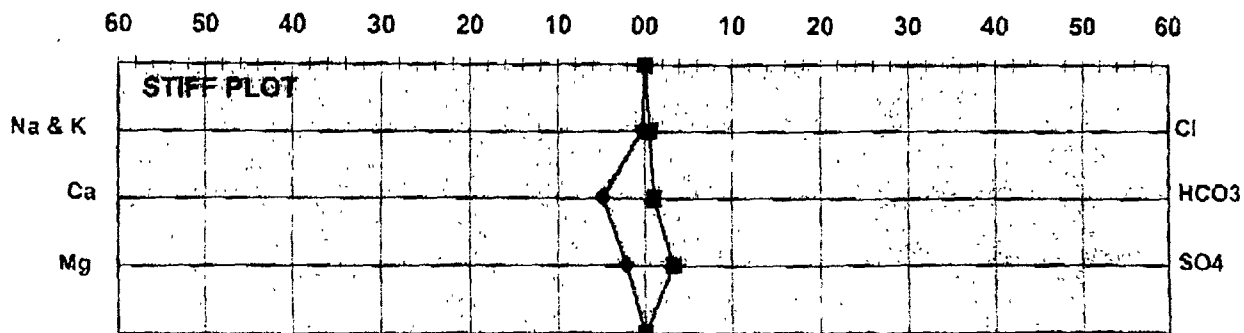
CaSO4 Factor 1565504

Calcium Carbonate Scale Probability

Possible

Calcium Sulfate Scale Probability:

Possible



Water Analysis Report

MEWBOURNE OIL CO
WYATT DRAW 24/25
LE 1H
WELLHEAD

| Summary of Entered Data | | | | Sample 538169 @ 75°F | | | |
|--|-------------|--------------------------------|--------|----------------------|----------------|--------|-------|
| Sampling Date | 1/19/11 | Anions | mg/l | meq/l | Cations | mg/l | meq/l |
| Analysis Date | 1/21/11 | Chloride | 89,335 | 2,520 | Sodium | 55,640 | 2,420 |
| Analyst | STACY SMITH | Bicarbonate | 988 | 16.2 | Magnesium | 640 | 52.7 |
| | | Carbonate | 0.00 | 0.00 | Calcium | 2,743 | 137 |
| TDS (mg/l or g/m ³) | 154,244 | Sulfate | 4,287 | 89.3 | Strontium | 48.0 | 1.10 |
| Density (g/cm ³ or tonne/m ³) | 1.1030 | Phosphate | N/A | N/A | Barium | 0.10 | 0.00 |
| Anion/Cation Ratio | 1.00 | Borate | N/A | N/A | Iron | 3.50 | 0.13 |
| | | Silicate | N/A | N/A | Potassium | 560 | 14.3 |
| Carbon Dioxide | 600 PPM | Hydrogen Sulfide | | 340 PPM | Aluminum | N/A | N/A |
| | | pH at time of sampling | | 7.00 | Chromium | N/A | N/A |
| | | pH at time of analysis | | | Copper | N/A | N/A |
| | | pH used in Calculations | | 7.00 | Lead | N/A | N/A |
| | | | | | Manganese | 0.10 | 0.00 |
| | | | | | Nickel | N/A | N/A |

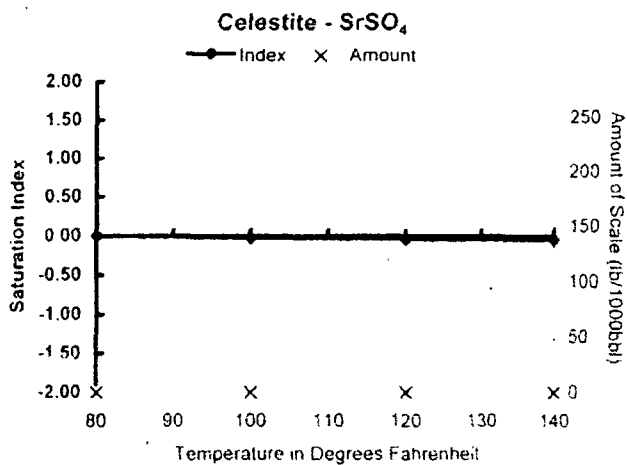
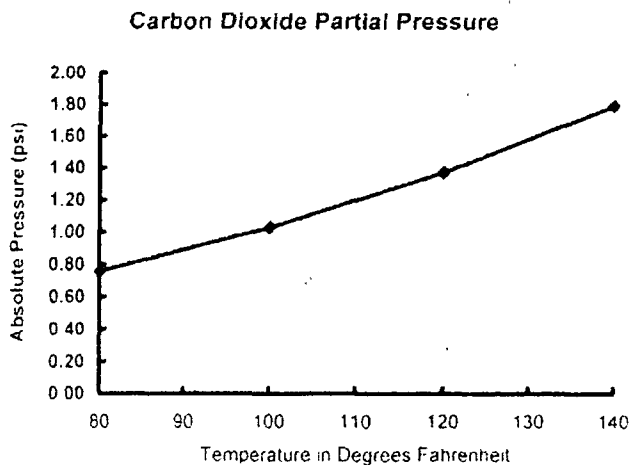
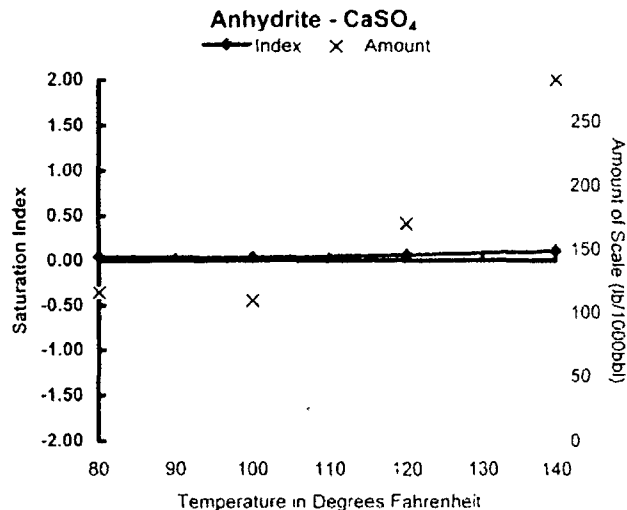
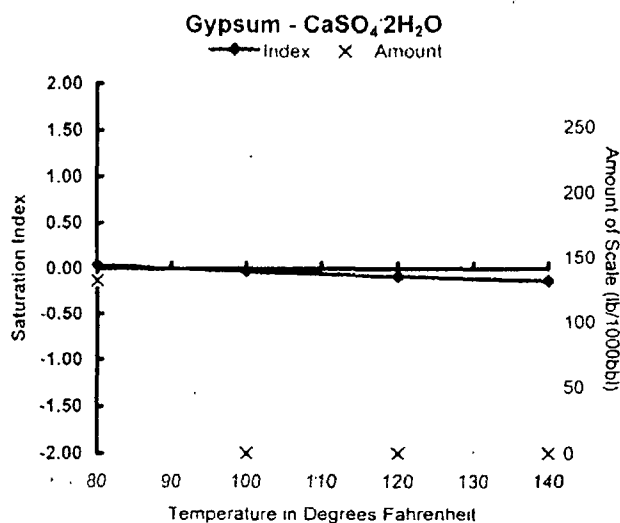
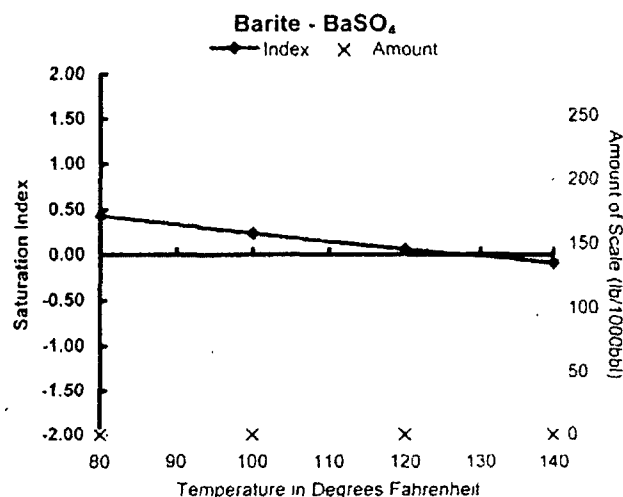
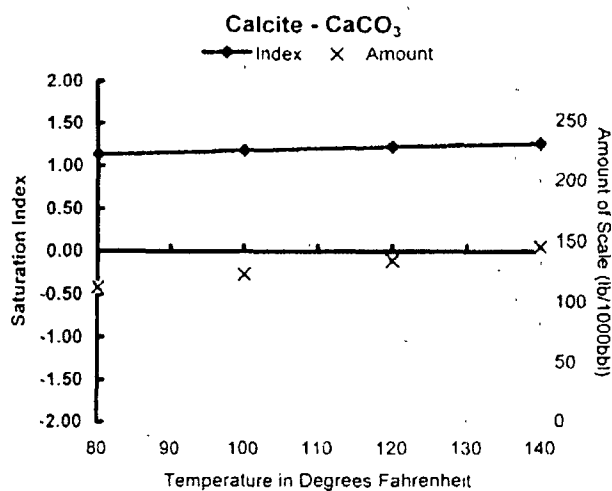
Specific ion interactions calculated for ions in bold faced type, other ions contribute to ionic strength

| Conditions | | Values Calculated at the Given Conditions - Amounts of Scale in lb/1000bbl | | | | | | | | | | |
|------------|--------------|--|--------|--|--------|--------------------------------|--------|--------------------------------|--------|-----------------------------|--------|--|
| Temp. | Gauge Press. | Calcite CaCO ₃ | | Gypsum CaSO ₄ ·2H ₂ O | | Anhydrite CaSO ₄ | | Celestite SrSO ₄ | | Barite BaSO ₄ | | CO ₂ <small>Fugacity</small> |
| °F | psi | Index | Amount | Index | Amount | Index | Amount | Index | Amount | Index | Amount | psi |
| 80 | 0 00 | 1.13 | 112 | 0.04 | 132 | 0.04 | 116 | -0.00 | | 0.43 | 0.03 | 0.76 |
| 100 | 0 00 | 1 18 | 123 | -0 03 | | 0.04 | 110 | -0.03 | | 0.23 | 0.02 | 1 03 |
| 120 | 0 00 | 1 22 | 134 | -0 09 | | 0.06 | 170 | -0.05 | | 0.06 | 0.01 | 1 37 |
| 140 | 0 00 | 1 26 | 145 | -0 13 | | 0.11 | 283 | -0 05 | | -0.09 | | 1 80 |

Precipitation of each scale is considered separately, total scale will be less than the sum of the amounts of the five scales

The amount of scale indicates the severity of the problem the index (equivalent to Stiff Davis SI) indicates how difficult it is to control the problem

The CO₂ fugacity is reported Under usual conditions it is essentially the same as the CO₂ partial pressure.





BJ Services

WATER ANALYSIS

Artesia District Laboratory

(575) 746-3140

Operator: Mewbourne Oil Company
 Well: Wyatt Draw #24/25
 Formation: Yeso
 Field:
 County:
 Depth: Yeso

Date: 012011
 District: Artesia
 Requested:
 Technician: Dustin
 Source:
 PFS Test #:
 M:Water Analysis\ Customer:

pH: 6.68
 Specific Gravity: 1.105

Temp (F): 68

H2S:

CATIONS

| | mg/l | me/l | ppm |
|----------------|--------|--------|--------|
| Sodium (calc.) | 128455 | 5587.4 | 116249 |
| Calcium | 3609 | 180.1 | 3266 |
| Magnesium | 486 | 40.0 | 440 |
| Barium | < 25 | --- | --- |
| Potassium | < 10 | --- | --- |
| Iron | 0 | 0.0 | 0 |

ANIONS

| | | | |
|-------------|--------|--------|--------|
| Chloride | 204000 | 5754.6 | 184615 |
| Sulfate | 1600 | 33.3 | 1448 |
| Carbonate | < 1 | --- | --- |
| Bicarbonate | 1196 | 19.6 | 1082 |

Total Dissolved Solids(calc.) 339345 307100

Total Hardness as CaCO3 11014 220.1 9967

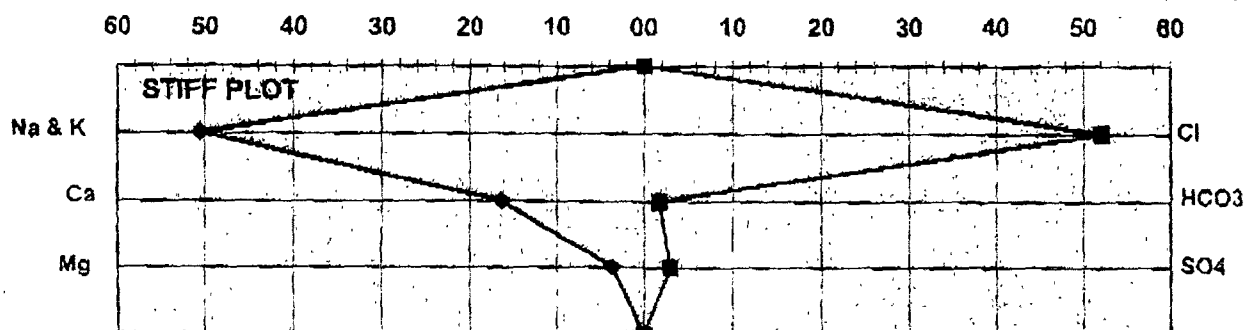
COMMENTS:

Resistivity is 1(5,000 gr/gal)

SCALE ANALYSIS:

CaCO3 Factor 4314920.4
 CaSO4 Factor 5774400

Calcium Carbonate Scale Probability Probable
 Calcium Sulfate Scale Probability: Possible



Mixed Water Analysis Report

Mixes at 80°F and 0 psi

| Mixes of 538168 and 538169 with 538170. | | Predictions of Saturation Index and Amount of Scale in lb/1000bbl | | | | | | | | | | CO ₂ Fugacity |
|--|--------|---|--------|--|--------|--------------------------------|--------|--------------------------------|--------|-----------------------------|--------|--------------------------|
| | | Calcite CaCO ₃ | | Gypsum CaSO ₄ •2H ₂ O | | Anhydrite CaSO ₄ | | Celestite SrSO ₄ | | Barite BaSO ₄ | | |
| 538168 | 538169 | Index | Amount | Index | Amount | Index | Amount | Index | Amount | Index | Amount | psi |
| 33% | 34% | 1.02 | 92.1 | -0.17 | | -0.21 | | -0.17 | | 0.60 | 0.04 | 0.45 |

Precipitation of each scale is considered separately, total scale will be less than the sum of the amounts of the five scales.

The amount of scale indicates the severity of the problem; the index (equivalent to Stiff Davis SI) indicates how difficult it is to control the problem.

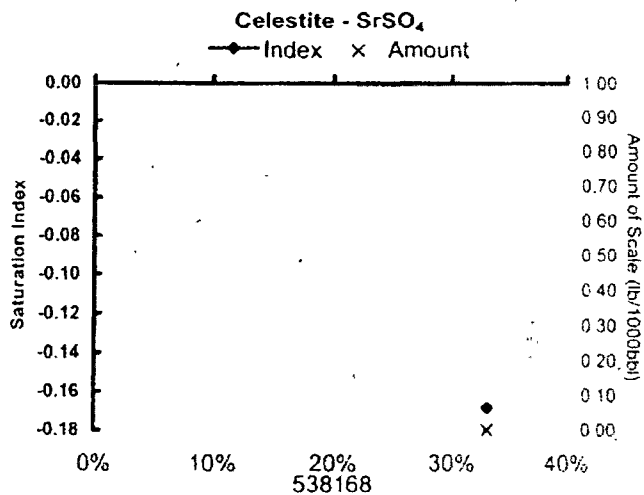
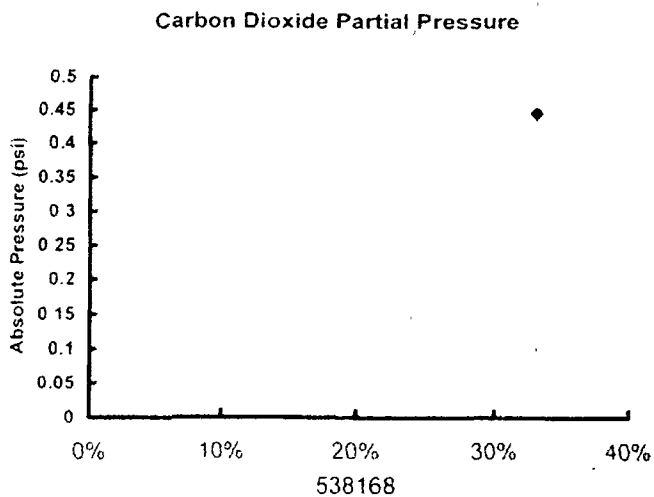
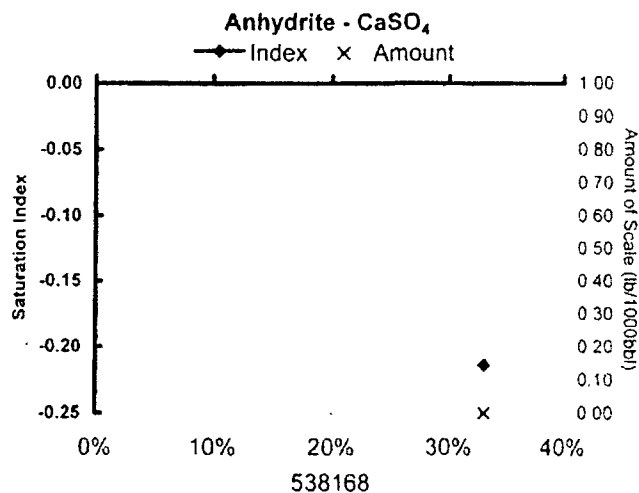
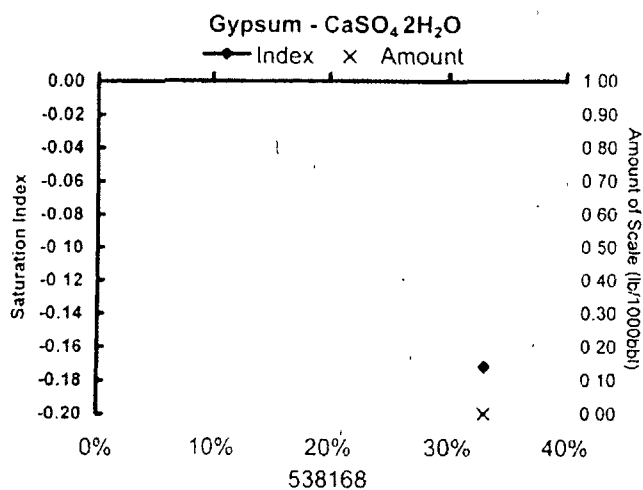
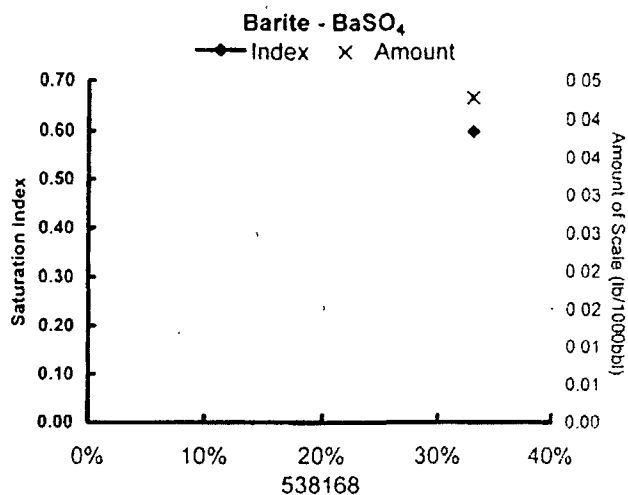
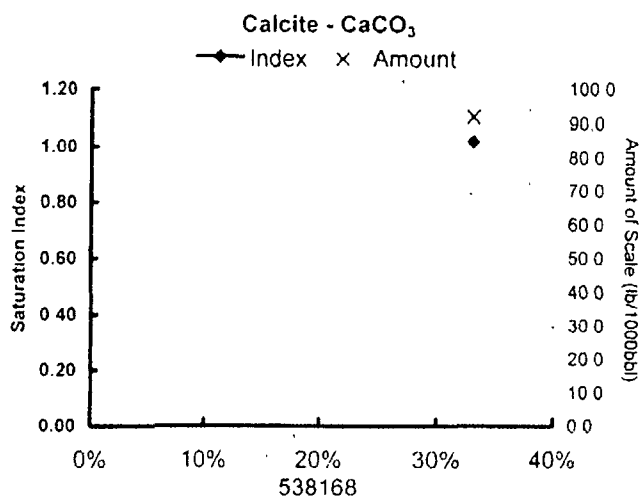
The CO₂ fugacity is calculated. Under usual conditions it is essentially the same as the CO₂ partial pressure.

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| Complete Water Compositions | | | | | | | | | |
|-----------------------------|--------|--------|--|--|--|--|--|--|--|
| 538168 | 538169 | 538170 | | | | | | | |
| 33.0% | 34.0% | 33.0% | | | | | | | |



Mixes of 538168 and 538169 with 538170 at 80°F and 0 psi
Baker Petrolite



Fairchild 13 # 1 SWD C-108 Application Attachments # 11

Samples were all taken 1/21/11

Samples were all taken in three wells in the SE4 of Section 13 approximately 3300' due East of proposed SWD site.

The New Mexico Office of State Engineer showed there to be 6 fresh water wells in this 1 mile radius. One of the six was never drilled, another is without pump or unable to produce now, and another had no trespassing signs up all around the property with dogs, and no means of getting in touch with property owners. We have provided here samples from the 3 closes fresh water wells. I spoke to Richard Ezeanyim w/OCD and he told me that the samples collected from these three wells would be more than adequate to satisfy this portion of the application.

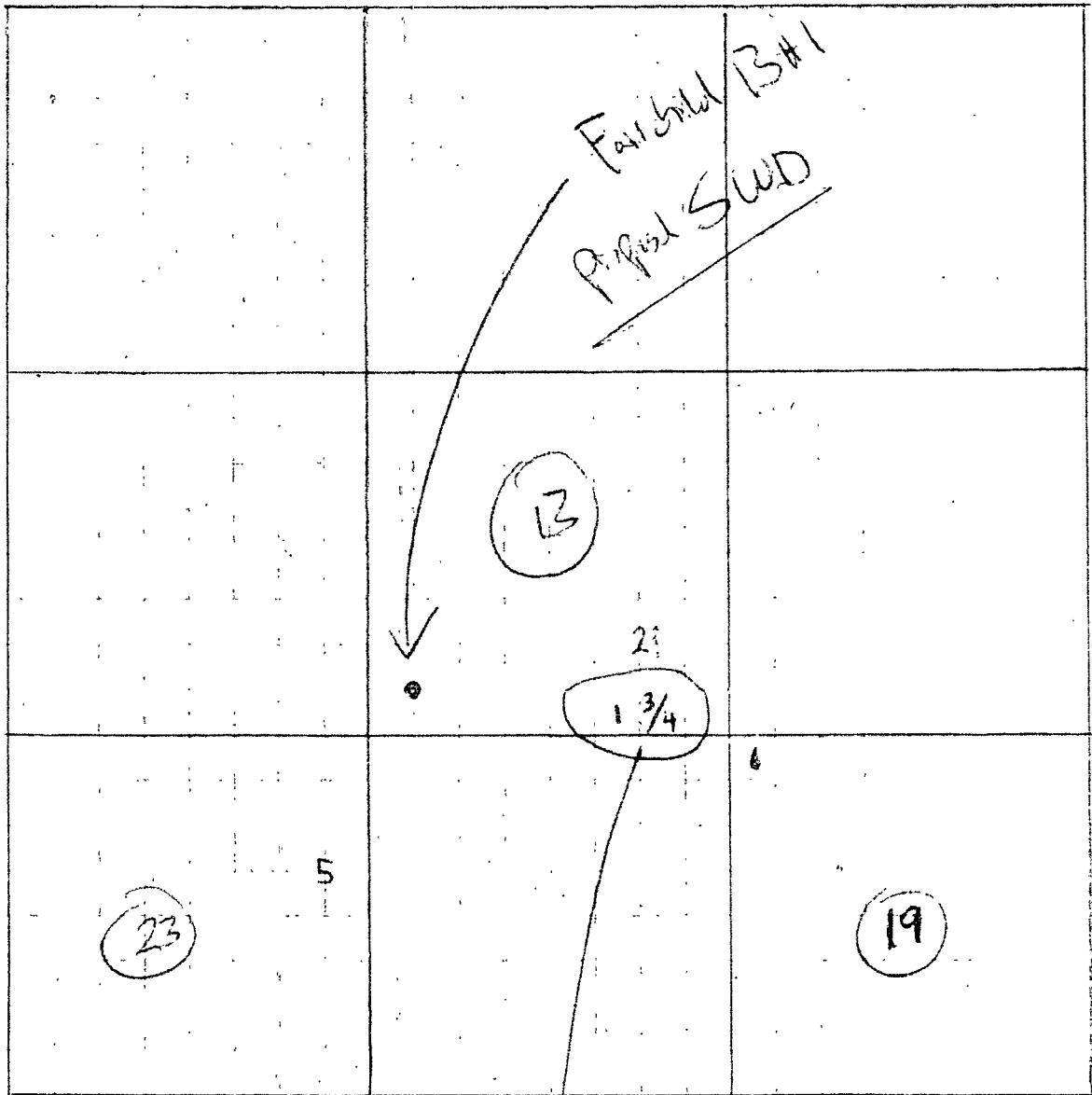


BRANDON & CLARK, INC.

Keeping Industry Humming

SINCE 1950

Sales - Service - Repair - Installation



Samples taken from these 3 wells taken 1/21/11



New Mexico Office of the State Engineer

Point of Diversion by Location

(with Owner Information)

(acre ft per annum)

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest)

(NAD83 UTM in meters)

Sub

| WR File Nbr | basin | Use | Diversion | Owner | County | POD Number | Grant | Source | 6416 4 | Sec | Tws | Rng | X | Y | Distance |
|-------------|-------|-----|-----------|-------------------|--------|------------|-------|---------|--------|-----|-----|------------|--------|----------|----------|
| 1 RA 09295 | | EXP | | 3 COX JOE | ED | RA 09295 | | Shallow | 4 | 3 | 4 | 13 19S 25E | 552979 | 3613115* | 764 |
| 2 RA 07864 | | DOM | | 0 J.T. ROSS | ED | RA 07864 | | | | 4 | 13 | 19S 25E | 553081 | 3613417* | 803 |
| 3 RA 09293 | | DOM | | 3 COX JOE | ED | RA 09293 | | Shallow | 3 | 4 | 4 | 13 19S 25E | 553180 | 3613114* | 952 |
| 4 RA 09294 | | EXP | | 3 COX JOE | ED | RA 09294 | | Shallow | 3 | 4 | 4 | 13 19S 25E | 553180 | 3613114* | 952 |
| 5 RA 10407 | | DOL | | 0 JOAN MULLARKEY | ED | RA 10407 | | Shallow | 4 | 2 | 23 | 19S 25E | 551678 | 3612409* | 1174 |
| 6 RA 08611 | | DOM | | 3 JOSEPH B. HUBER | ED | RA 08611 | | Shallow | 1 | 1 | 1 | 19 19S 26E | 553583 | 3612909* | 1401 |

Record Count: 6

POD Search:

POD Basin: Roswell Artesian

UTMNAD83 Radius Search (in meters):

Easting (X): 552278

Northing (Y): 3613419

Radius: 1609.4

Sorted by: Distance

meters

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data

1/19/11 5:03 PM

Page 1 of 1

POINT OF DIVERSION BY LOCATION



Water Analysis

Date: 22-Jan-11

2708 West County Road, Hobbs NM 88240

Phone (505) 392-5556 Fax (505) 392-7307

Analyzed For

| Company | Well Name | County | State |
|-----------|-----------|--------|------------|
| Mewbourne | Lisas | Lea | New Mexico |

Sample Source

Source

Sample

1

Formation

Depth

| | | | |
|------------------|-------|-----------------|--------|
| Specific Gravity | 1.000 | SG @ 60 °F | 1.002 |
| pH | 7.18 | Sulfides | Absent |
| Temperature (°F) | 70 | Reducing Agents | |

Cations

| | | | | |
|--------------------|---------|-----|--------|-----|
| Sodium (Calc) | in Mg/L | 655 | in PPM | 654 |
| Calcium | in Mg/L | 316 | in PPM | 315 |
| Magnesium | in Mg/L | 48 | in PPM | 48 |
| Soluble Iron (FE2) | in Mg/L | 0.0 | in PPM | 0 |

Anions

| | | | | |
|-------------------------------|---------|-------|--------|-------|
| Chlorides | in Mg/L | 200 | in PPM | 200 |
| Sulfates | in Mg/L | 2,000 | in PPM | 1,996 |
| Bicarbonates | in Mg/L | 59 | in PPM | 58 |
| Total Hardness (as CaCO3) | in Mg/L | 990 | in PPM | 988 |
| Total Dissolved Solids (Calc) | in Mg/L | 3,278 | in PPM | 3,271 |
| Equivalent NaCl Concentration | in Mg/L | 2,263 | in PPM | 2,258 |

Scaling Tendencies

*Calcium Carbonate Index 18,505

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

*Calcium Sulfate (Gyp) Index 632,000

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=5@70f

Report # 3148



Water Analysis

Date: 22-Jan-11

2708 West County Road, Hobbs NM 88240

Phone (505) 392-5556 Fax (505) 392-7307

Analyzed For

| Company | Well Name | County | State |
|-----------|-----------|--------|------------|
| Mewbourne | Ross East | Lea | New Mexico |

Sample Source **Source** **Sample #** 1

Formation **Depth**

| | | | |
|------------------|-------|-----------------|--------|
| Specific Gravity | 1.000 | SG @ 60 °F | 1.002 |
| pH | 7.24 | Sulfides | Absent |
| Temperature (°F) | 70 | Reducing Agents | |

Cations

| | | | | |
|---------------------|---------|-----|--------|-----|
| Sodium (Calc) | in Mg/L | 655 | in PPM | 654 |
| Calcium | in Mg/L | 316 | in PPM | 315 |
| Magnesium | in Mg/L | 48 | in PPM | 48 |
| Soluable Iron (FE2) | in Mg/L | 0.0 | in PPM | 0 |

Anions

| | | | | |
|-------------------------------|---------|-------|--------|-------|
| Chlorides | in Mg/L | 200 | in PPM | 200 |
| Sulfates | in Mg/L | 2,000 | in PPM | 1,996 |
| Bicarbonates | in Mg/L | 59 | in PPM | 58 |
| Total Hardness (as CaCO3) | in Mg/L | 990 | in PPM | 988 |
| Total Dissolved Solids (Calc) | in Mg/L | 3,278 | in PPM | 3,271 |
| Equivalent NaCl Concentration | in Mg/L | 2,263 | in PPM | 2,258 |

Scaling Tendencies

*Calcium Carbonate Index 18,505

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

*Calcium Sulfate (Gyp) Index 632,000

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=5@70f

Report # 3149



Water Analysis

Date: 22-Jan-11

2708 West County Road, Hobbs NM 88240

Phone (505) 392-5556 Fax (505) 392-7307

Analyzed For

| Company | Well Name | County | State |
|-----------|-----------|--------|------------|
| Mewbourne | Ross West | Lea | New Mexico |

| Sample Source | Source | Sample # | 1 |
|------------------|--------|-----------------|--------|
| Formation | Depth | | |
| Specific Gravity | 1.000 | SG @ 60 °F | 1.002 |
| pH | 7.22 | Sulfides | Absent |
| Temperature (°F) | 70 | Reducing Agents | |

Cations

| | | | | |
|--------------------|---------|-----|--------|-----|
| Sodium (Calc) | in Mg/L | 670 | in PPM | 669 |
| Calcium | in Mg/L | 300 | in PPM | 299 |
| Magnesium | in Mg/L | 48 | in PPM | 48 |
| Soluble Iron (FE2) | in Mg/L | 0.0 | in PPM | 0 |

Anions

| | | | | |
|-------------------------------|---------|-------|--------|-------|
| Chlorides | in Mg/L | 200 | in PPM | 200 |
| Sulfates | in Mg/L | 2,000 | in PPM | 1,996 |
| Bicarbonates | in Mg/L | 49 | in PPM | 49 |
| Total Hardness (as CaCO3) | in Mg/L | 950 | in PPM | 948 |
| Total Dissolved Solids (Calc) | in Mg/L | 3,267 | in PPM | 3,260 |
| Equivalent NaCl Concentration | in Mg/L | 2,260 | in PPM | 2,255 |

Scaling Tendencies

*Calcium Carbonate Index 14,640

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

*Calcium Sulfate (Gyp) Index 600,000

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=5@70f

Report # 3150

CASE 14602: **Application of Mewbourne Oil Company for approval of a salt water disposal well, Eddy County, New Mexico.** Applicant seeks approval to utilize its Fairchild "13" Well No. 1 (API No. 30-015-29729) located 660 feet from the South and West lines (Unit M) of Section 13, Township 19 South, Range 25 East, NMPM, to inject up to 10,000 barrels of water per day, at a maximum pressure of 1560 psi, into the into the Canyon (Upper Pennsylvanian) formation in the open-hole interval from 7800 feet to 8200 feet. This well is located approximately 12 miles south of Artesia, New Mexico.