

# Additional Information

Extension Request 9/22/20



September 22, 2020

New Mexico Oil Conservation Division  
Attn: Mr. Phillip Goetze  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

SUBJECT: Request for 2<sup>nd</sup> Permit Extension of SWD -1859  
Bilbrey 33 Federal SWD #1  
700' FSL, 205' FEL, Unit P  
Sec 33, Twp 21S, Rge 33E  
Lea County, NM

Dear Mr. Goetze:

The purpose of this letter is to request a one-year permit extension for SWD-1859, that is scheduled to expire on 1/15/2021. The 2020 oil price collapse, attributable to the Covid-19 outbreak, has had a significant impact on the pace of our development drilling program. We have also recognized that the results obtained from our artificial lift upgrades in the area will require Mewbourne Oil Company to secure an additional disposal well in order to fully develop our nearby assets.

Mewbourne has applied for a BLM drilling permit and the proposed location will be on-sited by the BLM this week.

Per your guidance, we have re-reviewed wells, surface owners, unleased lands, lessees and operators, within the one (1) mile Area of Review (AOR).

**Wells within 1 Mile AOR**

Attached is an updated tabulation of wells within the one-mile area of review (AOR). There are a few new completions within the AOR but there are still no wellbores that penetrate the proposed disposal interval. The closest active Devonian SWD well is approximately 2.6 miles to the east and there is a pending Devonian SWD permit approximately 1.5 miles to the southwest.

**Operators / Lessees within 1 Mile AOR**

A current offset operator / lessee / unleased owner review has been conducted and an updated notification list has been attached. A copy of our C-108 application packet was mailed to OXY USA Inc and the return receipt is attached.

**Seismicity Review**

Attached is a map that highlights earthquakes documented in the USGS Earthquake Catalog as of 9/20/2020. The closest earthquake is approximately 13 miles southeast of the proposed Bilbrey 33 Federal SWD #1.

Please contact me if you have any questions regarding our request.

Very truly yours,



Tim Harrington

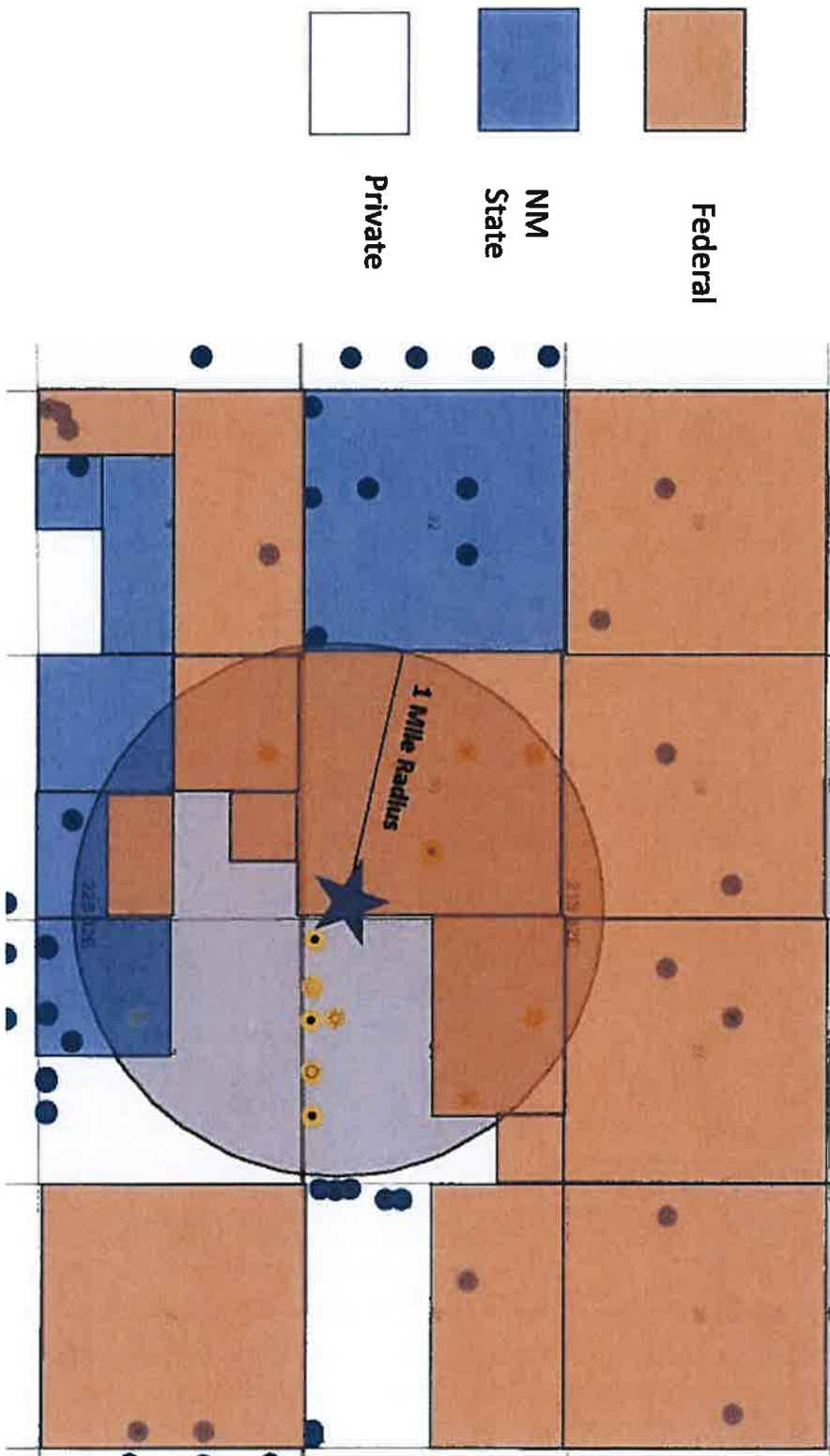
Reservoir Engineer

[tharrington@mewbourne.com](mailto:tharrington@mewbourne.com)





**Mewbourne Oil Company – Bilbrey 33 Federal SWD #1  
Surface Ownership Map**



**Listing of Notified Persons – SWD Permit Extension (9/21/2020)**

Bilbrey 33 Fed SWD #1 (SWD-1859)  
205' FEL & 700' FSL  
Section 33, T21S, R32E, Lea County, NM  
New Notifications Noted

**Surface Owners Within 1 Mile**

Bureau of Land Management  
620 East Greene Street  
Carlsbad, New Mexico 88220

New Mexico State Land Office  
310 Old Santa Fe Trail  
Santa Fe, NM 87501

**Mineral Owner**

Bureau of Land Management  
620 East Greene Street  
Carlsbad, New Mexico 88220

**Offsetting Operators Within 1 Mile Radius**

COG Operating LLC  
One Concho Center  
600 W. Illinois Ave  
Midland, TX 79701

Section 4, 22S, 32E & Section 34, 21S, 32E

Matador Resources  
One Lincoln Center  
5400 LBJ Freeway, Suite 1500  
Dallas, TX 75240

Sections 3 & 4, 22S, 32E

Devon Energy Production Company, LP  
333 W. Sheridan Avenue  
Oklahoma City, OK 73102

Section 28 & 33, 21S, 32E

JKM Energy, LLC  
26 E. Compress Road  
Artesia, NM 88210

Section 34, 21S, 32E

Centennial Resource Production, LLC  
1001 17<sup>th</sup> Street, Suite 1800  
Denver, CO 80202

Section 32, 21S, 32E  
Sections 4 & 5, 22S, 32E

Offsetting Lessee Within 1 Mile Radius

OXY USA Inc.  
5 Greenway Plaza, Suite 110  
Houston, TX 77046

Section 4, 22S, 32E





# Shipment Receipt

**Transaction Date:** 21 Sep 2020**Tracking Number:**

1ZF698E82593679062

**① Address Information****Ship To:**OXY USA INC.  
5 Greenway Plaza, Suite 110  
HOUSTON TX 770460521**Ship From:**Mewbourne Oil Company  
Amy Vaughan  
3620 Old Bullard Road  
TYLER TX 75701  
Telephone:9035612900**Return Address:**Mewbourne Oil Company  
Amy Vaughan  
3620 Old Bullard Road  
TYLER TX 75701  
Telephone:9035612900**② Package Information**

	Weight	Dimensions / Packaging	Declared Value	Reference Numbers
1.	Letter (Letter billable)	UPS Letter		

**③ UPS Shipping Service and Shipping Options****Service:**

UPS Next Day Air

**Delivered By:**

10:30 AM Tuesday, Sep 22, 2020

**Shipping Fees Subtotal:**

31.79 USD

**Additional Shipping Options****Transportation**

30.79 USD

**Delivery Confirmation:****Fuel Surcharge**

1.00 USD

Package1: Delivery Confirmation

2.00 USD

**Total Shipping Charges****33.79 USD****④ Payment Information****Bill Shipping Charges to:**

Shipper's Account F698E8

**Shipping Charges:****33.79 USD****Subtotal Shipping Charges:****33.79 USD****Total Charged:****33.79 USD**

Note: This document is not an invoice. Your final invoice may vary from the displayed reference rates.

\* For delivery and guarantee information, see the UPS Service Guide ({0}). To speak to a customer service representative, call 1-800-PICK-UPS for domestic services and 1-800-782-7892 for international services.

# Proof of Delivery

Dear Customer,

This notice serves as proof of delivery for the shipment listed below.

**Tracking Number**

1ZF698E82593679062

**Service**

UPS Next Day Air®

**Shipped / Billed On**

09/21/2020

**Delivered On**

09/22/2020 1:04 P.M.

**Delivered To**

HOUSTON, TX, US

**Received By**

MAIL ROOM

**Left At**

Mail Room

Thank you for giving us this opportunity to serve you. Details are only available for shipments delivered within the last 120 days. Please print for your records if you require this information after 120 days.

Sincerely,

UPS

Tracking results provided by UPS: 09/22/2020 2:25 P.M. EST

MEWBOURNE OIL COMPANY  
BILBREY 33 SWD #1 PERMIT APPLICATION  
LISTING OF WELLS WITHIN 1 MILE RADIUS AREA OF REVIEW  
September 21, 2020 Update

Hole Dir	API Number	Original Operator Name	Current Operator Name	Lease Name	Well Num	Sec	Twp	Rge	Footages	Field Name	Final Status	Status	TD (FT) /		TVD (FT) /		Producing Formation/ Target Formation	Permit Date	Date Spud	Date	
													Planned TD	Planned TVD	Planned TD	Planned TVD				Completion	Plugged
HZ	30025456680000	CENTENNIAL RESOURCES PROD LLC	CENTENNIAL RESOURCES PROD LLC	GAMAY 32 STATE COM	301H	32	21S	32E	300 FSL 350 FEL	BILBREY BASIN	Permit	Permit	14,659		Na		BONE SPRING	2019-02-08			
V	30025307810000	TEXACO PRODUCING INC	CONOCOPHILLIPS COMPANY	BILBREY '33' FEDERAL	1	33	21S	32E	660' FNL, 1980' FWL	BILBREY	ABD-GW	Plugged	14,900	14,900			MORROW	02/23/1990	03/05/1990	05/29/1990	
V	30025307810001	TEXACO EXP & PROD	CONOCOPHILLIPS COMPANY	BILBREY '33' FEDERAL	1	33	21S	32E	660' FNL, 1980' FWL	BILBREY NORTH	GAS-WO	Plugged	14,900	14,900			ATOKA	08/27/1998	04/12/1999	06/04/1999	
V	30025307810002	TEXACO EXP & PROD	CONOCOPHILLIPS COMPANY	BILBREY '33' FEDERAL	1	33	21S	32E	660' FNL, 1980' FWL	BILBREY	GAS-WO	Plugged	14,900	14,900			MORROW UPPER	01/11/2000	01/21/2000	07/13/2001	
DIR	30025307810100	TEXACO EXP & PROD	CONOCOPHILLIPS COMPANY	BILBREY 33 FEDERAL	1	33	21S	32E	660' FNL, 1980' FWL	BILBREY	GAS-WO	Plugged	14,600	14,600			MORROW	01/30/2001	02/20/2001	10/17/2001	
V	30025307810003	CONOCOPHILLIPS COMPANY	CONOCOPHILLIPS COMPANY	BILBREY '33' FEDERAL	1	33	21S	32E	660' FNL, 1980' FWL	BILBREY NORTH	D&AW	Plugged	14,900	14,900			BRUSHY CANYON	02/27/2012	04/03/2012	05/31/2013	5/31/2013
V	30025323830000	TEXACO EXP & PROD	MEWBOURNE OIL COMPANY	BILBREY '33' FEDERAL	2	33	21S	32E	1980' FSL, 2310' FWL	BILBREY	GAS	Active	14,950	14,950			MORROW CLASTIC	01/10/1994	01/20/1994	04/14/1994	
HZ	30025418060000	DEVON ENERGY PRODUCTION CO	DEVON ENERGY PRODUCTION CO	BILBREY '33' FEDERAL COM	3H	33	21S	32E	2600' FSL, 1350' FEL	BILBREY BASIN	OIL	Active	18,031	10,635			BONE SPRING	04/17/2014	07/26/2014	12/16/2014	
HZ	30025418070000	DEVON ENERGY PRODUCTION CO	DEVON ENERGY PRODUCTION CO	BILBREY '33' FEDERAL COM	4H	33	21S	32E	2600' FSL, 1300' FEL	BILBREY BASIN	OIL	Active	18,080	10,607			BONE SPRING	04/17/2014	06/23/2014	12/02/2014	
V	30025311200000	MARALO INCORPORATED	COG OPERATING LLC	BILBREY '34' FEDERAL	1	34	21S	32E	660' FNL, 1980' FWL	BILBREY	P&A	Plugged	14,830	14,830			MORROW LOWER	01/07/1991	01/17/1991	04/17/1991	9/19/2019
V	30025314700000	PHILLIPS PETROLEUM COMPANY	JKM ENERGY LIMITED LIABILITY CORP	BILBREY '34' FEDERAL COM	1	34	21S	32E	660' FSL, 1980' FWL	BILBREY	GAS	Active	14,990	14,990			MORROW CLASTIC	11/25/1991	12/05/1991	04/03/1992	
HZ	30025432760000	MEWBOURNE OIL COMPANY	MEWBOURNE OIL COMPANY	BILBREY 34-27 B2NC FED COM	001H	34	21S	32E	185' FSL, 2030' FWL	BILBREY BASIN	OIL	Active	20,650	10,690			BONE SPRING	05/13/2016	09/09/2016	03/23/2017	
HZ	30025438720000	MEWBOURNE OIL COMPANY	MEWBOURNE OIL COMPANY	BILBREY 34-27 B2MD FED COM	001H	34	21S	32E	270' FSL, 405' FWL	SALT LAKE	OIL	Active	20,770	10,681			BONE SPRING	06/07/2017	08/08/2017	11/30/2017	
HZ	30025439180000	MEWBOURNE OIL COMPANY	MEWBOURNE OIL COMPANY	BILBREY 34-27 B2OB FED COM	1H	34	21S	32E	185' FSL, 2240' FEL	BILBREY BASIN	Permit	Permit	20,618	10,693			BONE SPRING	07/31/2017			
HZ	30025450080000	MEWBOURNE OIL CO	MEWBOURNE OIL COMPANY	BILBREY 34-27 W2PA FEDERAL COM	001H	34	21S	32E	205 FSL 1311 FEL	UNNAMED	GAS	Active	22,270	12,156			WOLFCAMP	2018-07-18	2018-09-16	2018-12-19	
HZ	30025450090000	MEWBOURNE OIL CO	MEWBOURNE OIL COMPANY	BILBREY 34-27 B2OB FEDERAL COM	002H	34	21S	32E	205 FSL 1351 FEL	BILBREY BASIN	OIL	Active	21,005	10,732			BONE SPRING	2018-07-18	2018-08-13	2018-12-19	
HZ	30025462610000	MEWBOURNE OIL CO	MEWBOURNE OIL COMPANY	BILBREY 34-27 W0NC FED COM	001H	34	21S	32E	205 FSL 1360 FWL	UPPER WOLFCAMP	OIL	Active	22,255	11,901			WOLFCAMP	2019-07-24	2019-09-10	12/18/2019	
HZ	30025462620000	MEWBOURNE OIL CO	MEWBOURNE OIL COMPANY	BILBREY 34-27 W0MD FED COM	001H	34	21S	32E	205 FSL 1330 FWL	UPPER WOLFCAMP	OIL	Active	22,240	11,898			WOLFCAMP	2019-07-24	2019-08-02	12/18/2019	
H7	30025462770000	MEWBOURNE OIL COMPANY	MEWBOURNE OIL COMPANY	BILBREY 34-27 B3OB FEDERAL COM	001H	34	21S	32E	185 FSL 2190 FEL	BILBREY BASIN	Permit	Permit	20,618	10,693			BONE SPRING	2019-07-16			
DIR	30025445480000	MATADOR PRODUCTION COMPANY	MATADOR PRODUCTION COMPANY	CORTELL NINA FEDERAL COM	121H	3	22S	32E	150 FSL 555 FWL	BILBREY BASIN	D&A	D&A	9,989		Sidetracked		BONE SPRING	2018-02-26	2018-09-13	2018-10-12	
HZ	30025445480100	MATADOR PRODUCTION COMPANY	MATADOR PRODUCTION COMPANY	CORTELL NINA FED COM	121H	3	22S	32E	150 FSL 555 FWL	BILBREY BASIN	OIL	Active	14,916	9,978			BONE SPRING	2018-10-01	2018-10-13	2018-12-22	
HZ	30025445540000	MATADOR PRODUCTION COMPANY	MATADOR PRODUCTION COMPANY	CORTELL NINA FEDERAL COM	201H	3	22S	32E	150 FSL 525 FWL	UNNAMED	OIL	OIL	17,013	12,216			WOLFCAMP	2018-02-16	2018-09-05	2018-12-22	
V	30025274720001	GETTY OIL COMPANY	COG OPERATING LLC	BILBREY FEDERAL COM	1	4	22S	32E	660' FNL, 1980' FWL	BILBREY	P&A	P&A	15,105	15,105			ATOKA	03/18/1985	03/28/1985	04/01/1985	
V	30025274720000	GETTY OIL COMPANY	COG OPERATING LLC	BILBREY FEDERAL COM	1	4	22S	32E	660' FNL, 1980' FWL	BILBREY	P&A	P&A	15,105	15,105			MORROW	07/23/1981	08/02/1981	01/20/1982	
DIR	30025274720100	MARBOB ENERGY CORPORATION	COG OPERATING LLC	BILBREY FEDERAL	1	4	22S	32E	660' FNL, 1980' FWL	BILBREY	GAS	Active	15,350	15,066			MORROW	10/14/2005	12/13/2005	03/25/2006	
V	30025319860000	SIETE OIL & GAS CORPORATION	SIETE OIL & GAS CORPORATION	OTTAWA STATE	1	3	22S	32E	1980' FSL, 1980' FWL	WILDCAT	D&A	P&A	8,935	8,935			DELAWARE	06/23/1993	07/03/1993	08/11/1993	
V	30025319860001	WTI LIMITED	WTI LIMITED	OTTAWA STATE	1	3	22S	32E	1980' FSL, 1980' FWL	WILDCAT	Re-entry	P&A	8,935	8,935			DELAWARE	09/05/1993	09/15/1993	10/25/1994	10/25/1994


THERE ARE NO WELLS WITHIN THE 1 MILE RADIUS AREA OF REVIEW THAT PENETRATE THE DEVONIAN FORMATION (EST TOP 15,780')





# SEISMIC EVENTS IN SENM

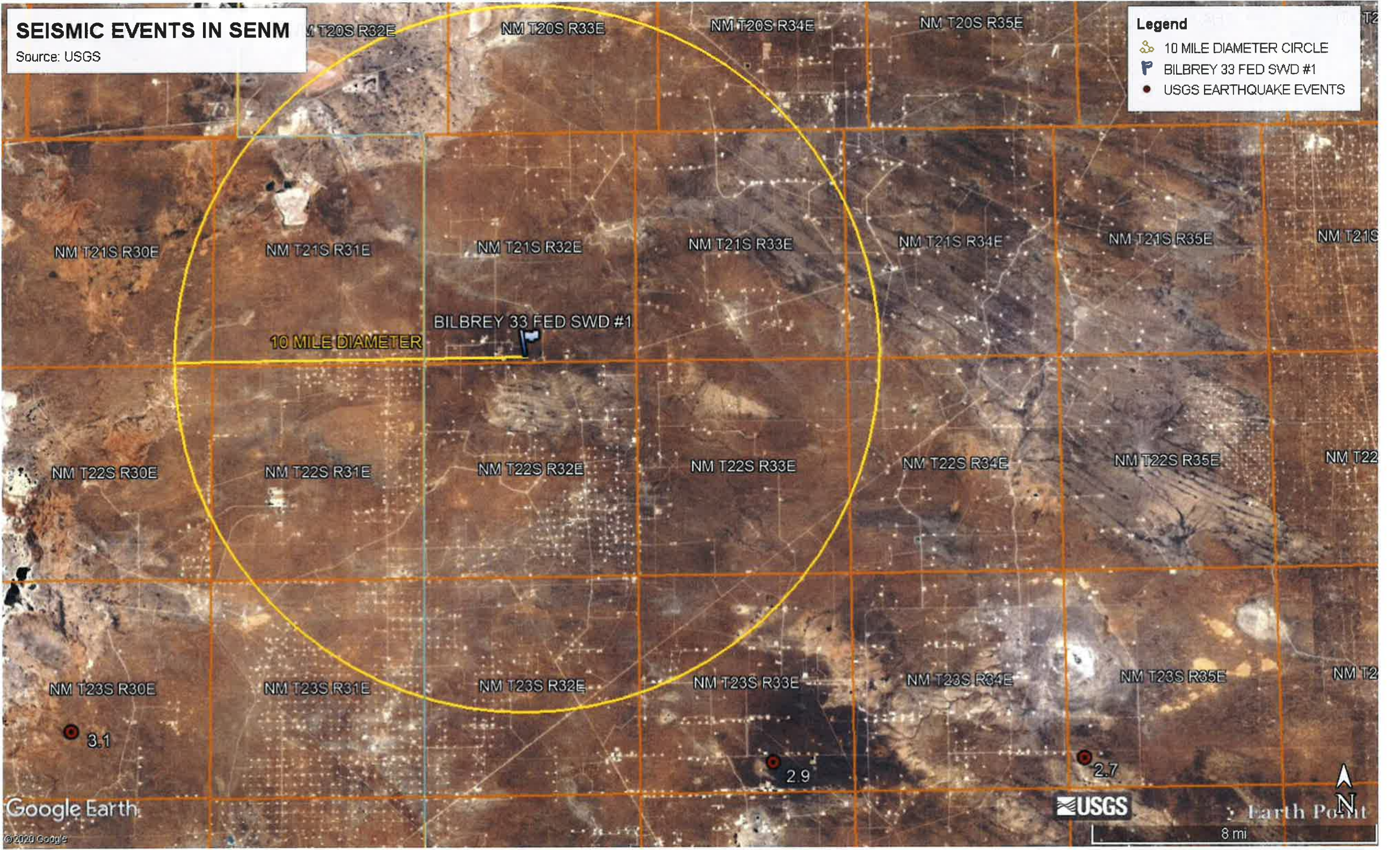
Source: USGS

Legend

 10 MILE DIAMETER CIRCLE

 BILBREY 33 FED SWD #1

 USGS EARTHQUAKE EVENTS



Google Earth

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USGS

Earth Point

8 mi