

# Initial Application Part I

Received 10/27/20

*This application is placed in file for record. It MAY or MAY NOT have been reviewed to be determined Administratively Complete*



**MEWBOURNE**  
OIL COMPANY

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October 27, 2020

New Mexico Oil Conservation Division  
Engineering Bureau  
Attn: Mr. Phillip Goetze  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Re: C-108 Application for Modification of SWD-1425  
Derringer Federal SWD #1  
660' FSL & 1980' FWL, Unit N  
Section 18, Township 20 South, Range 29 East  
Eddy County, New Mexico

Dear Mr. Goetze:

Attached is a C-108 Application to modify the injection interval of Mewbourne Oil's Derringer Federal SWD #1, that is located in Sec 18 Twp 20S, Rge 29E, N.M.P.M., Eddy County, New Mexico. This well has been active since April 2014, and we are requesting permission to deepen the well by 190' in the Devonian-Silurian formations.

Similar application exhibits were sent to offset operators and offsetting lessees, and confirmations of receipt will be e-mailed to you later this week. The public notice of this application was published in the Carlsbad Current-Argus on October 25th and an Affidavit of Publication is enclosed.

Should you have any questions, please contact us at (903) 534-7647.

Sincerely yours,

**MEWBOURNE OIL COMPANY**

Tim Harrington  
Reservoir Engineer  
tharrington@mewbourne.com

MEWBOURNE OIL COMPANY  
DERRINGER FEDERAL SWD #1 (SWD-1425)  
SWD PERMIT MODIFICATION APPLICATION

**LIST OF ATTACHMENTS:**

Administrative Checklist

Copy of existing administrative Order SWD-1425

Form C-108

Copy of Yates Federal #18 (original wellbore) Form C015

Copy of Derringer Federal SWD #1 Form 3160

Copy of approved Form 3160 to add perforations

Derringer Federal SWD #1 current well schematic

Derringer Federal SWD #1 proposed well schematic

Well Plat

Tabulation of wells within 1 mile radius (NOTE: no wells currently penetrate the Devonian)

Fresh Water well map

Tabulation of nearby fresh water wells – (Source: NM Office of the State Engineer)

Fresh Water Well Water Analysis

Producing Well Water Analysis – Wolfcamp, & Bone Spring

Surface Ownership Map

Offset Operator Map

Listing of Notified Persons

Affidavit of Publication – Carlsbad Current-Argus

Hydrologic Affirmation

Seismicity Statement

Historical Seismicity, Fault Map and Devonian SWD Offset Map

Geological Cross Section

Revised March 23, 2017

V3PVR-201027-C-1080

|                    |           |           |                       |
|--------------------|-----------|-----------|-----------------------|
| RECEIVED: 10/27/20 | REVIEWER: | TYPE: SWD | APP NO: pBL2030149269 |
|--------------------|-----------|-----------|-----------------------|

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

|  |                            |
|--|----------------------------|
| <b>Applicant:</b> Mewboure Oil Company     | <b>OGRID Number:</b> 14744 |
| <b>Well Name:</b> Derringer Federal SWD #1 | <b>API:</b> 30-015-30828   |
| <b>Pool:</b> SWD; DEVONIAN-SILURIAN        | <b>Pool Code:</b> 97869    |

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW**

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]  
 A. Location – Spacing Unit – Simultaneous Dedication  
 NSL       NSP (PROJECT AREA)       NSP (PRORATION UNIT)       SD

- B. Check one only for [I] or [II]  
 [I] Commingling – Storage – Measurement  
 DHC    CTB    PLC    PC    OLS    OLM  
 [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery  
 WFX    PMX    SWD    IPI    EOR    PPR

SWD-2397

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.  
 A.  Offset operators or lease holders  
 B.  Royalty, overriding royalty owners, revenue owners  
 C.  Application requires published notice  
 D.  Notification and/or concurrent approval by SLO  
 E.  Notification and/or concurrent approval by BLM  
 F.  Surface owner  
 G.  For all of the above, proof of notification or publication is attached, and/or,  
 H.  No notice required

| FOR OCD ONLY             |                              |
|--------------------------|------------------------------|
| <input type="checkbox"/> | Notice Complete              |
| <input type="checkbox"/> | Application Content Complete |

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Timothy R. Harrington  
 Print or Type Name

Timothy R. Harrington  
 Signature

October 26, 2020  
 Date

903-534-7647  
 Phone Number

tharrington@mewboure.com  
 e-mail Address

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 Bailey, Division Director  
Oil 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.

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

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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 II 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

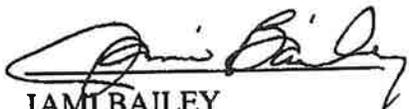
Administrative Order SWD-1425  
Mewbourne Oil Company  
July 3, 2013  
Page 3 of 3

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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.



JAMI BAILEY  
Director

JB/prg

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

**DERRINGER FEDERAL SWD #1**  
Additional Details

**VI.** There are no other wells within the 1 mile area of review (AOR) that have penetrated the Devonian

**VII.** 1. Proposed average rate of 20,000 bwpd and maximum rate of 25,000 bwpd.

2. Non-commercial SWD (closed system).

3. Proposed average injection pressure is approximately 2,000 psi and the maximum injection pressure is approximately 2,520 psi (0.2 psi/ft x 12,600 ft).

4. This well is a private SWD, therefore all the injected fluid will be formation water from Mewbourne Oil Company operated wells currently producing or planned in the area. Representative water samples from the Wolfcamp and Bone Spring formations are attached.

5. We will be injecting into the Devonian formation. Devonian formation water is known to be compatible with the formation water of the Bone Spring and Wolfcamp. No Devonian water analysis are available within the immediate area. The following data is the closest produced water analysis that is available on the USGS

| IDUSGS     | IDORIG    | IDDB      | SOURCE                             | LATITUDE   | LONGITUDE | API            | COUNTY | FIELD            | WELLNAME            | TOWNRANGE    |        |
|------------|-----------|-----------|------------------------------------|------------|-----------|----------------|--------|------------------|---------------------|--------------|--------|
| 35292      | 30000310  | USGSBREIT | Pan American Petroleum Corporation | 32.183     | -103.7766 | 30015108590000 | Eddy   | Poker Lake South | Poker Lake Unit #36 | S 24 E 31 28 |        |
| DATESAMPLE | METHOD    | FORMATION | DEPTHUPPER                         | DEPTHLOWER | SG        | SPGRAV         | RESIS  | RESIST           | PH                  | TDSUSGS      | TDS    |
| 1967-04-06 | Separator | Devonian  | 16578                              | 16660      | 1.086     | 1.086          | 0.067  | 77               | 6.6                 | 120326       | 120326 |

**VIII.** 1. The current well is disposing into the Devonian formation from a depth of 12,660' – 13,200' and we propose to deepen the well (open-hole) to a depth of 13,390' and add perforations: 12620'- 12645'. The base of the new injection zone will be approximately 410' above the top of the Ellenburger.

Other Projected Formation Tops:

|                        |                |
|------------------------|----------------|
| Devonian (Actual)      | 12,614'        |
| CURRENT TD             | 13,200'        |
| <b>PROPOSED NEW TD</b> | <b>13,390'</b> |
| Montoya                | 13,400'        |
| Simpson                | 13,675'        |
| Ellenburger            | 13,800'        |

2. The underground fresh water aquifers (unnamed) are present at shallow depths (per review of well records, within 2 miles of the proposed SWD, on the NM Office of the State Engineers website) with the deepest water being encountered at a depth of 140', the shallowest water at a depth of 52' and the average water depth at 86'. There are no known fresh water intervals underlying the injecting formation.

- IX.** The proposed stimulation is an open-hole acid treatment of 20,000 gallons of 15% HCL.
- IX.** A gamma-ray / neutron log will be run from the new TD to approximately 12,500 in order to tie into prior logs.
- X.** There are two fresh water wells on record with the NM State Engineers Office that are within 1 mile of the Derringer SWD but we were unable to secure water samples. A previously submitted fresh water analysis, taken from a well located in Section 1, Twp 20S, Rge 28E, is therefore attached.
- XI.** 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. A signed affidavit is attached.
- XII.** See attached Proof of Notice

INJECTION WELL DATA SHEET

Side 1

OPERATOR: **Mewbourne Oil Company**

WELL NAME & NUMBER: **Derringer Federal SWD #1 (SWD-1425)**      N      18      20S      29E  
 WELL LOCATION: **660' FSL & 1980' FWL**  
 FOOTAGE LOCATION      UNIT LETTER      SECTION      TOWNSHIP      RANGE

WELLBORE SCHEMATIC (See Attached)

WELL CONSTRUCTION DATA

Surface Casing  
 Hole Size: 26"      Casing Size: 20" (94 #) @ 375'  
 Cement with: 1000 sx      Top of Cement: Surface  
 (1" - circ 25 sx to surface)

Intermediate Casing  
 Hole Size: 17 1/2"      Casing Size: 13 3/8" (54.5#) @ 1,245'

Stage 1: 1350 sx (circ 431 sx)      Top of Cement: Surface (Visual)

Intermediate Casing  
 Hole Size: 12 1/4"      Casing Size: 9 5/8" (36#) @ 3,229'

Stage 1: 1250 sx (circ 452 sx)      Top of Cement: Surface  
 Top of Cement: Surface (Visual)

Production Casing

Hole Size: 8 3/4"      Casing Size: 7" (26#) @ 12,660'

Stage 1: 500 sx      Top of Cement: Surface (CBL)

Stage 2: 1100 sx      DV Tool @ 9,000  
 Top of Cement: Surface (CBL)

Top of Devonian: 12,614'  
 Current Injection Interval: 12,660' - 13,200'  
 Proposed Inj Interval: 12,620' - 13,390'  
 Current Permitted Inj. Interval: 12,600' - 13,200'  
 Proposed Permitted Inj. Interval: 12,600' - 13,390'

Side 2

INJECTION WELL DATA SHEET

Tubing Size: 4 1/2", 12.75#, 13CRHP110 Lining Material: fiberglass

Type of Packer: 2 7/8" x 4 1/2" Model R Packer w/ carbide slips

Packer Setting Depth: +/- 12,605'

Other Type of Tubing/Casing Seal (if applicable): N/A

Additional Data

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

If no, for what purpose was the well originally drilled? Dryhole drilled for production in 1999

2. Name of the Injection Formation: Devonian-Silurian (Open Hole Completion)
3. Name of Field or Pool (if applicable): 97869 SWD; Devonian-Silurian
4. Has the well ever been perforated in any other zone(s)? No.
5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

Overlying potentially productive zone tops – Yates (885'), Delaware (3,168'), Bone Spring (5,664'), Wolfcamp (9,149), & Morrow (11,213')

Underlying producing zone – N/A

**APPLICATION FOR AUTHORIZATION TO INJECT**

I. PURPOSE: \_\_\_\_\_ Secondary Recovery \_\_\_\_\_ Pressure Maintenance \_\_\_\_\_ X \_\_\_\_\_ Disposal \_\_\_\_\_ Storage  
Application qualifies for administrative approval? \_\_\_\_\_ X \_\_\_\_\_ Yes \_\_\_\_\_ No

II. OPERATOR: **Mewbourne Oil Company**

ADDRESS: **3620 Old Bullard Road  
Tyler, TX 79701**

CONTACT PARTY: **Tim Harrington** PHONE: **903-534-7647**

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.

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.

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: **Tim Harrington**

TITLE: **Reservoir Engineer**

SIGNATURE: *Tim R. Harrington*

DATE: 10/26/2020

E-MAIL ADDRESS: **tharrington@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: \_\_\_\_\_

Side 2

## 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.**

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**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.

Submit to Appropriate District Office  
State Lease - 6 copies  
Fee Lease - 5 copies  
DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-105  
Revised 1-1-89

OIL CONSERVATION DIVISION

2040 Pacheco St.  
Santa Fe, NM 87405

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210  
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.  
30-015-30828

5. Indicate Type Of Lease  
STATE  FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name  
YATES FEDERAL

8. Well No.  
18

9. Pool name or Wildcat  
BURTON FLATS MORROW



WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL  GAS WELL  DRY  OTHER

b. Type of Completion: NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DIFF RESVR  OTHER

2. Name of Operator  
Marathon Oil Company

3. Address of Operator  
P.O. Box 552, Midland, TX 79702

4. Well Location  
Unit Letter N : 660 Feet From The SOUTH Line and 1980 Feet From The WEST Line

Section 18 Township 20-S Range 29-E NMPM EDDY County

10. Date Spudded 11/13/99 11. Date T.D. Reached 12/6/99 12. Date Compl. (Ready to Prod.)

13. Elevations (DF & RKB, RT, GR, etc.) 3265' - KB 14. Elev. Casinghead 3251'

15. Total Depth 11,800' 16. Plug Back T.D.

17. If Multiple Compl. How Many Zones? 18. Intervals Drilled By XXX Rotary Tools Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name  
NONE 20. Was Directional Survey Made  
NO

21. Type Electric and Other Logs Run  
PFE/HALS/NGT 22. Was Well Cored  
NO

CASING RECORD (Report all strings set in well)

| CASING SIZE | WEIGHT LB./FT. | DEPTH SET | HOLE SIZE      | CEMENTING RECORD         | AMOUNT PULLED |
|-------------|----------------|-----------|----------------|--------------------------|---------------|
| 20"         | 94#            | 375'      | 26" <u>750</u> | 1000 SX "C". CIRC. 25 SX | -0-           |
| 13 3/8"     | 54.5#          | 1245'     | 17 1/2"        | 1350 SX "C". CIRC 431 SX | -0-           |
| 9 5/8"      | 36#            | 3229'     | 12.25"         | 1250 SX "C". CIRC 452 SX | -0-           |

LINER RECORD

TUBING RECORD

| SIZE | TOP | BOTTOM | SACKS CEMENT | SCREEN | SIZE | DEPTH SET | PACKER SET |
|------|-----|--------|--------------|--------|------|-----------|------------|
|      |     |        |              |        |      |           |            |

*Wrong Record Only*

26. Perforation record (interval, size, and number)

27. ACID SHOT, FRACTURE, CEMENT, SOEEZE, ETC.  
DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED

PRODUCTION

28. Date First Production Production Method (Flowing, gas lift, pumping - Size and type pump) Well Status (Prod. or Shut-in)

Date of Test Hours Tested Choke Size Prod'n For Test Period Oil - Bbl. Gas - MCF Water - Bbl. Gas - Oil Ratio

Flow Tubing Press. Casing Pressure Calculated 24-Hour Rate Oil - Bbl. Gas - MCF Water - Bbl. Oil Gravity - API -(Corr.)

29. Disposition of Gas (Sold, used for fuel, vented, etc.) Test Witnessed By

30. List Attachments

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Walter J. Longmire, Jr. Printed Name R. J. LONGMIRE Title DRLG SUPERINTENDEN Date 1/17/00

# INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

## INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

### Southeastern New Mexico

|                          |                             |
|--------------------------|-----------------------------|
| T. Anhy _____            | T. Canyon _____ -0-         |
| T. Salt _____ 440        | T. Strawn _____ 10303       |
| B. Salt _____ 762        | T. Atoka _____ 10630        |
| T. Yates _____           | T. Miss _____               |
| T. 7 Rivers _____ 962    | T. Devonian _____           |
| T. Queen _____           | T. Silurian _____           |
| T. Grayburg _____        | T. Montoya _____            |
| T. San Andres _____      | T. Simpson _____            |
| T. Glorieta _____        | T. McKee _____              |
| T. Paddock _____         | T. Ellenburger _____        |
| T. Blinebry _____        | T. Gr. Wash _____           |
| T. Tubb _____            | T. Delaware Sand _____ 3118 |
| T. Drinkard _____        | T. Bone Springs _____ 5650  |
| T. Abo _____             | T. _____ MORROW 11204       |
| T. Wolfcamp _____ 9140   | T. _____ L MORROW 11532     |
| T. Penn _____ 9987       | T. _____                    |
| T. Cisco (Bough C) _____ | T. _____                    |

### Northeastern New Mexico

|                             |                        |
|-----------------------------|------------------------|
| T. Ojo Alamo _____          | T. Penn. "B" _____     |
| T. Kirtland-Fruitland _____ | T. Penn. "C" _____     |
| T. Pictured Cliffs _____    | T. Penn. "D" _____     |
| T. Cliff House _____        | T. Leadville _____     |
| T. Menefee _____            | T. Madison _____       |
| T. Point Lookout _____      | T. Elbert _____        |
| T. Mancos _____             | T. McCracken _____     |
| T. Gallup _____             | T. Ignacio Otzte _____ |
| Base Greenhorn _____        | T. Granite _____       |
| T. Dakota _____             | T. _____               |
| T. Morrison _____           | T. _____               |
| T. Todilto _____            | T. _____               |
| T. Entrada _____            | T. _____               |
| T. Wingate _____            | T. _____               |
| T. Chinle _____             | T. _____               |
| T. Permian _____            | T. _____               |
| T. Penn "A" _____           | T. _____               |

### OIL OR GAS SANDS OR ZONES

No. 1, from \_\_\_\_\_ to \_\_\_\_\_      No. 3, from \_\_\_\_\_ to \_\_\_\_\_  
 No. 2, from \_\_\_\_\_ to \_\_\_\_\_      No. 4, from \_\_\_\_\_ to \_\_\_\_\_

### IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from \_\_\_\_\_ to \_\_\_\_\_ feet \_\_\_\_\_  
 No. 2, from \_\_\_\_\_ to \_\_\_\_\_ feet \_\_\_\_\_  
 No. 3, from \_\_\_\_\_ to \_\_\_\_\_ feet \_\_\_\_\_

### LITHOLOGY RECORD ( Attach additional sheet if necessary)

| From  | To    | Thickness in Feet | Lithology         | From  | To    | Thickness in Feet | Lithology         |
|-------|-------|-------------------|-------------------|-------|-------|-------------------|-------------------|
| 440   | 762   | 332               | SALT & ANHYDRITE  | 10668 | 11430 | 762               | SHALE & LIMESTONE |
| 762   | 962   | 200               | SHALE & LIMESTONE | 11430 | 11800 | 370               | SHALE & SANDSTONE |
| 962   | 3118  | 2156              | LIMESTONE         |       |       |                   |                   |
| 3118  | 5650  | 2532              | SANDSTONE & SHALE |       |       |                   |                   |
| 5650  | 5930  | 280               | LIMESTONE & SHALE |       |       |                   |                   |
| 5930  | 6058  | 128               | SHALE             |       |       |                   |                   |
| 6058  | 6912  | 854               | LIMESTONE         |       |       |                   |                   |
| 6912  | 7092  | 180               | SHALE & LIMESTONE |       |       |                   |                   |
| 7092  | 7510  | 418               | LIMESTONE         |       |       |                   |                   |
| 5410  | 7886  | 376               | SANDSTONE         |       |       |                   |                   |
| 7886  | 8710  | 824               | LIMESTONE         |       |       |                   |                   |
| 8710  | 9307  | 597               | SANDSTONE & SHALE |       |       |                   |                   |
| 9307  | 9390  | 83                | LIMESTONE         |       |       |                   |                   |
| 9390  | 10300 | 910               | SHALE             |       |       |                   |                   |
| 10300 | 10668 | 368               | LIMESTONE & SHALE |       |       |                   |                   |

Form 3160-4  
(March 2012)

Print Reset

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires: October 31, 2014

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well  Oil Well  Gas Well  Dry  Other  
 b. Type of Completion:  New Well  Work Over  Deepen  Plug Back  Diff. Resvr.,  
 Other: SWD

5. Lease Serial No.  
NMNM01165

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

2. Name of Operator  
Mewbourne Oil Company

8. Lease Name and Well No.  
Derringer Fedrcal SWD #1

3. Address  
PO Box 5270, Hobbs NM 88241

3a. Phone No. (include area code)  
575-393-5905

9. API Well No.  
30-015-30828

4. Location of Well (Report location clearly and in accordance with Federal requirements)

10. Field and Pool or Exploratory  
SWD Devonian 96101

11. Sec., T., R., M., on Block and  
Survey or Area  
Sec 18, T20S, R29E

12. County or Parish  
Eddy

13. State  
NM

At surface 660' FSL & 1980' FWL, Sec 18, T20S, R29E

At top prod. interval reported below

At total depth 660' FSL & 1980' FWL, Sec 18, T20S, R29E

14. Date Spudded  
02/27/14

15. Date T.D. Reached 03/08/14

16. Date Completed 04/09/14  
 D & A  Ready to Prod.

17. Elevations (DF, RKB, RT, GL)\*  
3255'

18. Total Depth: MD 13200'  
TVD

19. Plug Back T.D.: MD  
TVD

20. Depth Bridge Plug Set: MD  
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

GR/CCL/CBU/CNL

22. Was well cored?  No  Yes. (Submit analysis)  
 Was DST run?  No  Yes (Submit report)  
 Directional Survey?  No  Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade | Wt. (#/ft) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 8 3/4"    | 7" P110    | 26#        | 0        | 12660'      | NA                   | 1600                        | 597               | Surface     | NA            |
|           |            |            |          |             |                      |                             |                   |             |               |
|           |            |            |          |             |                      |                             |                   |             |               |
|           |            |            |          |             |                      |                             |                   |             |               |
|           |            |            |          |             |                      |                             |                   |             |               |

24. Tubing Record

| Size   | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|--------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 3 1/2" | 12638'         | 12631'            |      |                |                   |      |                |                   |

25. Producing Intervals

| Formation   | Top   | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|-------------|-------|--------|---------------------|------|-----------|--------------|
| A) Devonian | 12614 |        | 12660' - 13200'     |      |           | OPEN HOLE    |
| B)          |       |        |                     |      |           |              |
| C)          |       |        |                     |      |           |              |
| D)          |       |        |                     |      |           |              |

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

| Depth Interval  | Amount and Type of Material |
|-----------------|-----------------------------|
| 12660' - 13200' | 5000 gals 15% HCl           |
|                 |                             |
|                 |                             |

28. Production - Interval A

| Date First Produced | Test Date            | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method                       |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|---|
|                     |                      |              | →               |         |         |           |                       |             | NA. Injection well. Sec remarks section |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio         | Well Status |   |
|                     |                      |              | →               |         |         |           |                       |             |   |

28a. Production - Interval B

| Date First Produced | Test Date            | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
|                     |                      |              | →               |         |         |           |                       |             |                   |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio         | Well Status |                   |
|                     |                      |              | →               |         |         |           |                       |             |                   |

\*(See instructions and spaces for additional data on page 2)

**28b. Production - Interval C**

| Date First Produced | Test Date            | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
|                     |                      |              | →               |         |         |           |                       |             |                   |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio         | Well Status |                   |
|                     |                      |              | →               |         |         |           |                       |             |                   |

**28c. Production - Interval D**

| Date First Produced | Test Date            | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
|                     |                      |              | →               |         |         |           |                       |             |                   |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio         | Well Status |                   |
|                     |                      |              | →               |         |         |           |                       |             |                   |

29. Disposition of Gas (Solid, used for fuel, vented, etc.)

30. Summary of Porous Zones (Include Aquifers):  
 Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name        | Top         |
|-----------|-----|--------|------------------------------|-------------|-------------|
|           |     |        |                              |             | Meas. Depth |
|           |     |        |                              | T. Salt     | 440'        |
|           |     |        |                              | B. Salt     | 639'        |
|           |     |        |                              | Yates       | 885'        |
|           |     |        |                              | Capitan     | 1082'       |
|           |     |        |                              | Delaware    | 3168'       |
|           |     |        |                              | Bone Spring | 5664'       |
|           |     |        |                              | Wolfcamp    | 9149'       |
|           |     |        |                              | Strawn      | 10312'      |
|           |     |        |                              | Atoka       | 10639'      |
|           |     |        |                              | Morrow      | 11213'      |
|           |     |        |                              | Barnett     | 11689'      |
|           |     |        |                              | Devonion    | 12614'      |

32. Additional remarks (include plugging procedure):

March 22, 2014 Swab tested to prove no commercial hydrocarbons. Rec 210 BW w/0% oil cut, no gas.  
 May 03, 2014 1000 BPD @ 46#, 2000 BPD @ 645#, 3000 BPD 1061#  
 5000 BPD @ 1733#, 7000 BPD @ 2475#, 9000 BPD 3033#  
 11000 BPD @ 3457#, 11500 BPD @ 3700#

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- Electrical/Mechanical Logs (1 full set req'd.)     
  Geologic Report     
  DST Report     
  Directional Survey  
 Sundry Notice for plugging and cement verification     
  Core Analysis     
  Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) Jackie Lathan Title Regulatory  
 Signature *Jackie Lathan* Date 05/09/14

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.

Form 3160-5  
(June 2015)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires: January 31, 2018

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill on a new or abandoned well. Use form 3160-3 (APD) for such proposals.*

**Carlsbad Field Office**  
**OCY Artesia**

5. Lease Serial No.  
NMM01165

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
DERRINGER FEDERAL SWD 1

9. API Well No.  
30-015-30828-00-S1

10. Field and Pool or Exploratory Area  
WILDCAT

11. County or Parish, State  
EDDY COUNTY, NM

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well  
 Oil Well  Gas Well  Other: INJECTION

2. Name of Operator  
MEWBOURNE OIL COMPANY  
Contact: JACKIE LATHAN  
E-Mail: jlathan@mewbourne.com

3a. Address  
P O BOX 5270  
HOBBS, NM 88241

3b. Phone No. (include area code)  
Ph: 575-393-5905

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 18 T20S R29E SESW 0660FSL 1980FWL

**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"/> Subsequent Report           | <input type="checkbox"/> Deepen                    |
| <input type="checkbox"/> Final Abandonment Notice    | <input type="checkbox"/> Alter Casing              |
|  | <input type="checkbox"/> Hydraulic Fracturing      |
|  | <input type="checkbox"/> Casing Repair             |
|  | <input type="checkbox"/> New Construction          |
|  | <input type="checkbox"/> Change Plans              |
|  | <input type="checkbox"/> Plug and Abandon          |
|  | <input type="checkbox"/> Convert to Injection      |
|  | <input type="checkbox"/> Plug Back                 |
|  | <input type="checkbox"/> Production (Start/Resume) |
|  | <input type="checkbox"/> Reclamation               |
|  | <input type="checkbox"/> Recomplete                |
|  | <input type="checkbox"/> Temporarily Abandon       |
|  | <input type="checkbox"/> Water Disposal            |
|  | <input type="checkbox"/> Water Shut-Off            |
|  | <input type="checkbox"/> Well Integrity            |
|  | <input checked="" type="checkbox"/> Other          |

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 recomplete 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 recompletion 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.

Mewbourne Oil Company has authority to operate the Derringer Federal SWD #1 per approved Administrative Order (SWD-1425, dated 7/03/2013) for disposal of oil field produced water within the Devonian formations from approximately 12,600 feet to approximately 13,200 feet.

Mewbourne Oil Company has recently obtained approval to replace the existing 3 1/2" internally coated injection tubing with 4 1/2" internally coated injection tubing and while performing this operation, we intend to perforate the Devonian from and 12,620' - 12,645' and acidize the entire disposal interval with approximately 5,000 gallons of HCL. The Radial Cement Bond Variable Density Log performed on 3/20/14 indicates that there is good cement isolation between the Devonian and Woodford Shale.

Attached is a copy of a section of the Compensated Neutron GR / CCL Log performed on 3/20/14 and

GC 8-10-18  
Approved for record - NMOCD  
RECEIVED

AUG 07 2018

DISTRICT II-ARTESIA O.C.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #427645 verified by the BLM Well Information System For MEWBOURNE OIL COMPANY, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 07/18/2018 (18DLM0456SE)**

Name (Printed/Typed) TIM R HARRINGTON Title RESERVOIR ENGINEER

Signature (Electronic Submission) Date 07/17/2018

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By /s/ Jonathon Shepard Title Petroleum Engineer Date AUG 01 2018

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.

**Carlsbad Field Office**

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.

**Additional data for EC transaction #427645 that would not fit on the form**

**32. Additional remarks, continued**

the proposed perforation interval is highlighted.

### Mewbourne Oil Company (Current Schematic)

Well Name: Derringer Federal SWD #1  
SWD - 1425

Last Updated by: T. Harrington

10/23/2020

20" (94#)  
Cement w/1000 Sx  
Circ to Surface

375'

13 3/8" (54.5#)  
Cement w/ 1350 Sx  
Circ to Surface

1245'

9 5/8" (36#)  
Cement w/ 1350 Sx  
Circ to Surface

3229'

DV tool @ 9000'  
Cement with 1100 sx  
TOC @ surface (CBL)

9000'

7" ( 26 #)  
Cement with 500 Sx  
TOC @ surface (CBL)

12660'

6 1/2" Open Hole  
TD @ 13,200'

13200'

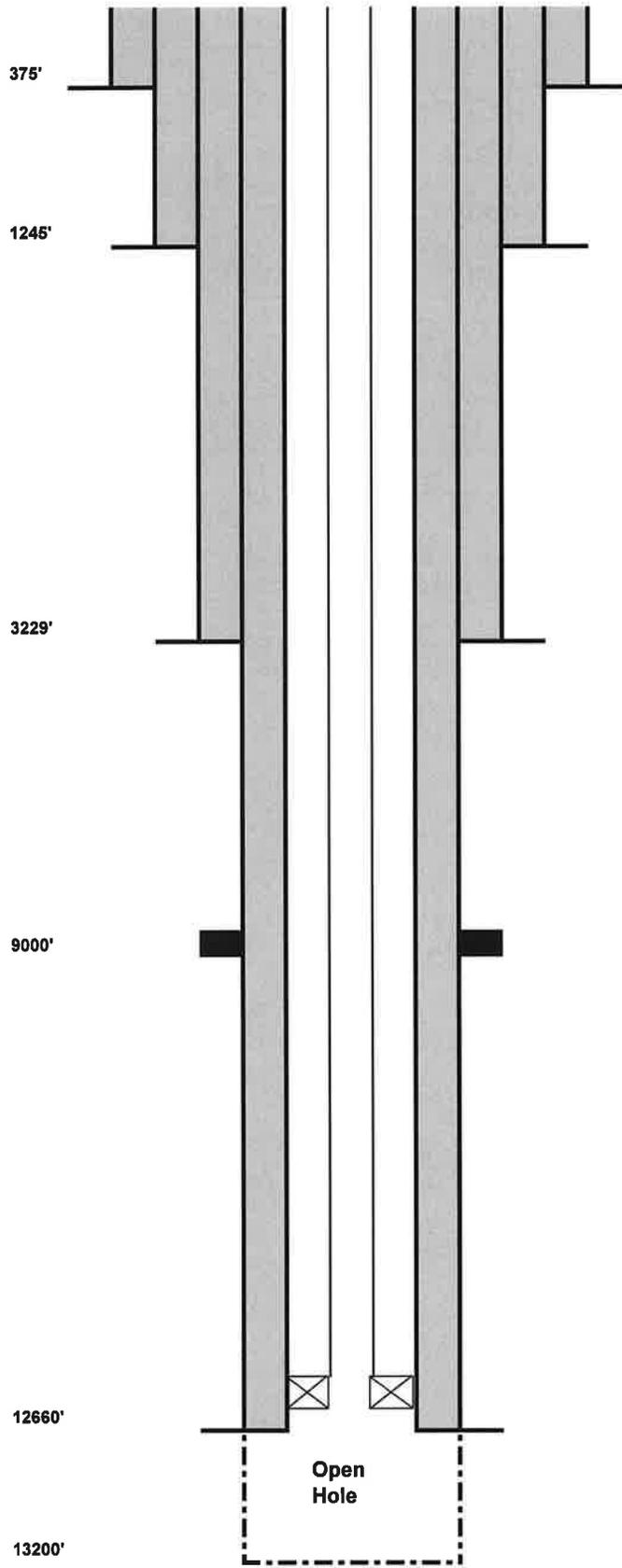
Open  
Hole

**Injection String**

- 4 1/2" 12.75#, 13CRHP110 (Fiberglass Lined)
- 2 7/8" x 4 1/2" nickel plated crossover
- 2 7/8" x 7" Model R pkr w/ carbide slips @ 12,605'

Top of Permitted Injection Interval @ 12,600'  
Top of Devonian @ 12,614'

**Injection Interval 12,660'-13,200'**



### Mewbourne Oil Company (Proposed)

Well Name: Derringer Federal SWD #1  
SWD - 1425

Last Updated by: T. Harrington

10/23/2020

20" (94#)  
Cement w/1000 Sx  
Circ to Surface

375'

13 3/8" (54.5#)  
Cement w/ 1350 Sx  
Circ to Surface

1245'

9 5/8" (36#)  
Cement w/ 1250 Sx  
Circ to Surface

3229'

DV tool @ 9000'  
Cement with 1100 sx  
TOC @ surface (CBL)

9000'

7" ( 26 #)  
Cement with 500 Sx  
TOC @ surface (CBL)

New Perforations

12620' - 12645'

6 1/2" Open Hole  
TD @ 13,390'

12660'

13,390

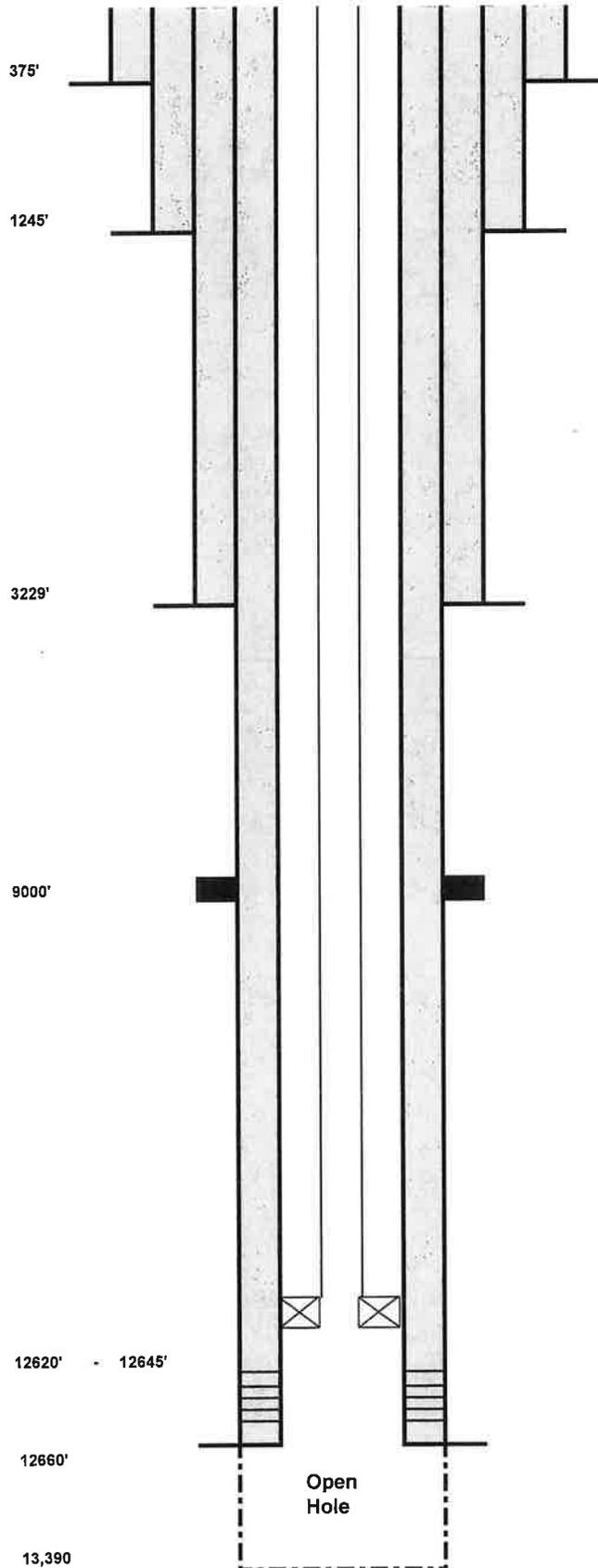
Open Hole

**Injection String**

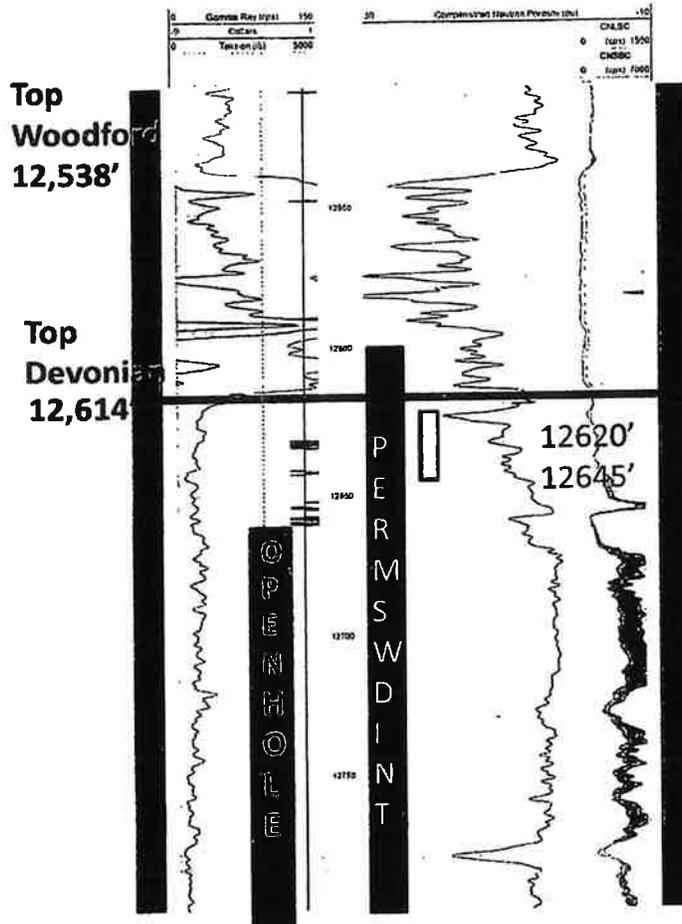
- 4 1/2" 12.75#, 13CRHP110 (Fiberglass Lined)
- 2 7/8" x 4 1/2" nickel plated crossover
- 2 7/8" x 7" Model R pkr w/ carbide slips @ 12,605'

Top of Permitted Injection Interval @ 12,600'  
Top of Devonian @ 12,614'

Revised  
Injection Interval 12,660'-13,390'



# DERRINGER SWD

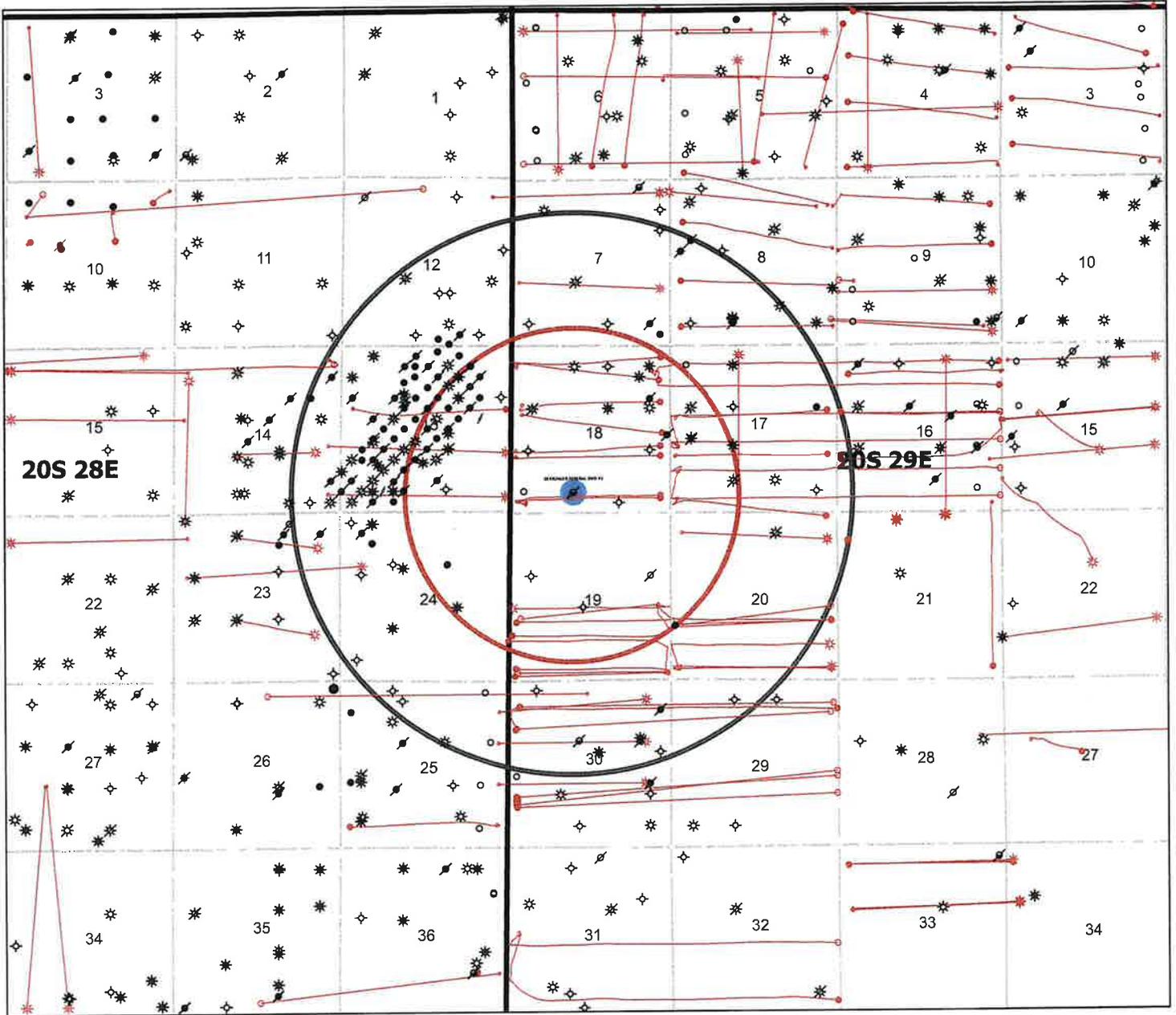


SWD -1425:  
 INTERVAL 12,600 – 13,200 (TD)  
 NO TBG SIZE SPECIFIED  
 MAX PRESSURE 2520 PSIG

7", 26# CASING SET AT 12,660'

3.5", 9.3# TBG SET AT 12,620'

| 31. Formation (Log) Markers |             |
|-----------------------------|-------------|
| Name                        | Top         |
|                             | Meas. Depth |
| T. Salt                     | 440'        |
| B. Salt                     | 639'        |
| Yates                       | 885'        |
| Capitan                     | 1082'       |
| Delaware                    | 3168'       |
| Bone Spring                 | 5664'       |
| Wolfcamp                    | 9149'       |
| Strawn                      | 10312'      |
| Atoka                       | 10639'      |
| Morrow                      | 11213'      |
| Barnett                     | 11689'      |
| Devonian                    | 12614'      |

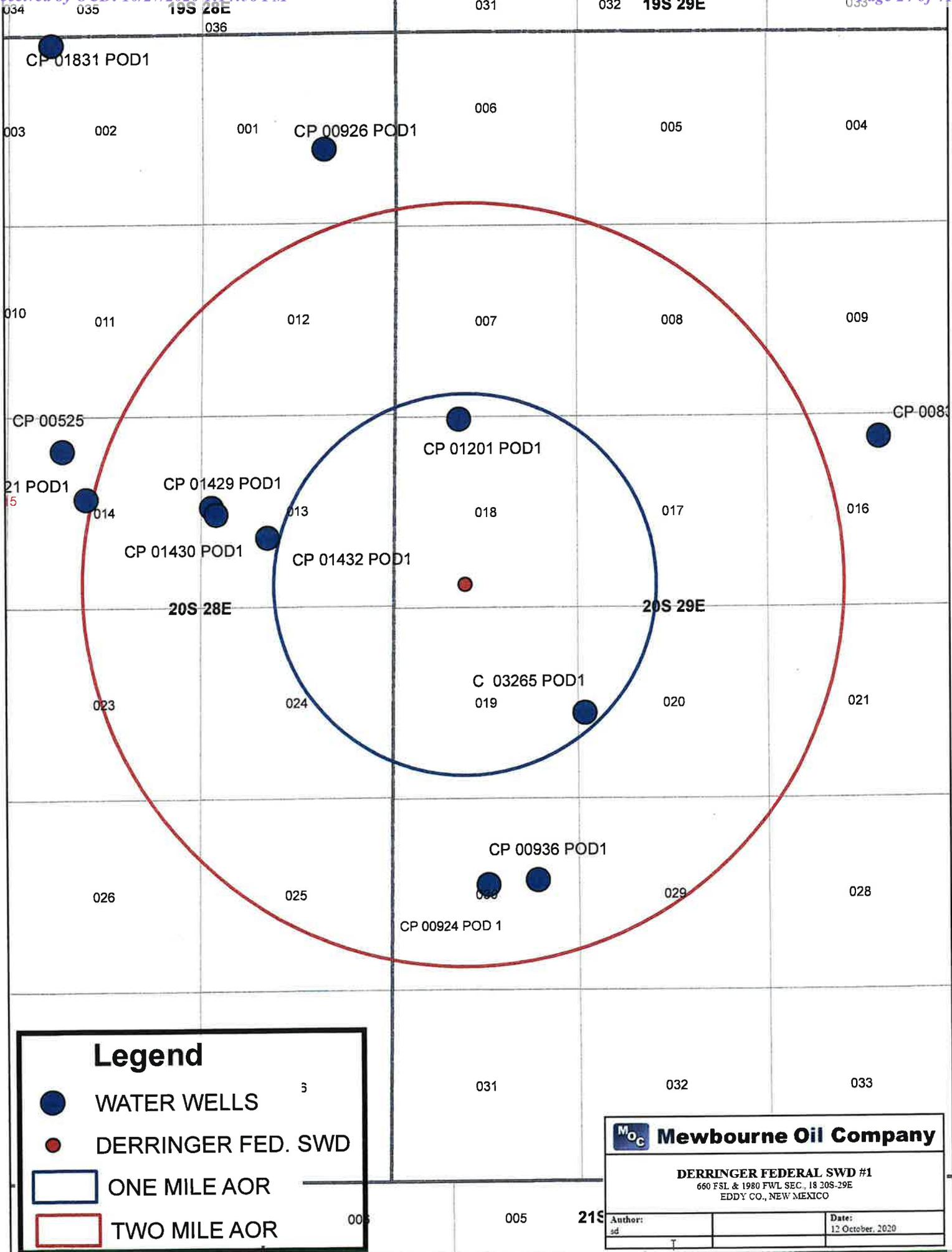


**TWO MILE AOR**

**ONE MILE AOR**

|  |             |                  |
|--|-------------|------------------|
|  <b>Mewbourne Oil Company</b> |             |                  |
| DERRINGER FEDERAL SW D #1<br>660' FSL & 1980' FWL SEC. 6-20S-29E<br>FIDBY CO., NEW MEXICO                          |             |                  |
| Date:  |             | 22 October, 2020 |
| Scale:   | 1" = 10000' |                  |





### Legend



WATER WELLS



DERRINGER FED. SWD



ONE MILE AOR



TWO MILE AOR



**Mewbourne Oil Company**

**DERRINGER FEDERAL SWD #1**

660 FSL & 1980 FWL SEC., 18 20S-29E  
EDDY CO., NEW MEXICO

Author:  
sd

Date:  
12 October, 2020

NEW MEXICO OFFICE OF THE STATE ENGINEER  
 TABULATION OF FRESH WATER WELLS  
 10/27/2020

| POD Number    | County | q64 | q16 | q4 | Sec | Twp | Rge | LONG         | LAT       | Depth Well | Depth Water |
|---------------|--------|-----|-----|----|-----|-----|-----|--------------|-----------|------------|-------------|
| CP 00926 POD1 | EDDY   |     | NW  | SE | 1   | 20S | 28E | -104.1278324 | 32.601023 | 300        |             |
| CP 01831 POD1 | EDDY   | NE  | NW  | NW | 02  | 20S | 28E | -104.1520913 | 32.609181 |            |             |
| CP 01429 POD1 | EDDY   | SW  | SW  | NW | 13  | 20S | 28E | -104.138055  | 32.573861 |            |             |
| CP 01430 POD1 | EDDY   | NW  | NW  | SW | 13  | 20S | 28E | -104.137644  | 32.573325 |            |             |
| CP 01432 POD1 | EDDY   | SE  | NE  | SW | 13  | 20S | 28E | -104.133033  | 32.57155  |            |             |
| CP 00525      | EDDY   | SW  | NE  | NW | 14  | 20S | 28E | -104.151325  | 32.578214 | 171        | 140         |
| CP 00421 POD1 | EDDY   | SE  | SE  | NW | 14  | 20S | 28E | -104.149239  | 32.574556 |            |             |
| CP 00833 POD1 | EDDY   |     | NW  | NE | 16  | 20S | 29E | -104.077891  | 32.578879 | 100        |             |
| CP 01201 POD1 | EDDY   | NE  | NE  | NW | 18  | 20S | 29E | -104.115861  | 32.580444 | 140        | 100         |
| C 03265 POD1  | EDDY   | NW  | NW  | SW | 20  | 20S | 29E | -104.104691  | 32.558055 | 89         | 52          |
| CP 00936 POD1 | EDDY   | SW  | SE  | NE | 30  | 20S | 29E | -104.108981  | 32.545366 | 70         | 52          |
| CP 00924 POD1 | EDDY   | SW  | SW  | NE | 30  | 20S | 29E | -104.113262  | 32.545369 |            |             |
| CP 00963 POD1 | EDDY   | SW  | SE  | NE | 30  | 20S | 29E | -104.108981  | 32.545366 |            |             |

AVERAGE 145 86

ANALYSIS ATTACHED

### CARDINAL LABORATORIES SCALE INDEX WATER ANALYSIS REPORT

|   |                               |
|---|-------------------------------|
| Company : LONQUIST FIELD SERVICES       | Date Sampled : 03/19/19       |
| Lease Name : CLARA ALLEN SWD #1         | Company Rep. : TYLER MOEHLMAN |
| Well Number : C-00926-POD1 (H901060-01) |                               |
| Location : 32.59391 / -104.114741       |                               |

**ANALYSIS**

- |                                   |        |                                    |
|-----------------------------------|--------|------------------------------------|
| 1. pH                             | 7.79   |                                    |
| 2. Specific Gravity @ 60/60 F.    | 1.0040 |                                    |
| 3. CaCO3 Saturation Index @ 80 F. | +0.497 | 'Calcium Carbonate Scale Possible' |
| @ 140 F.                          | +1.197 | 'Calcium Carbonate Scale Possible' |

**Dissolved Gasses**

- |                     |       |     |
|---------------------|-------|-----|
| 4. Hydrogen Sulfide | 0.000 | PPM |
| 5. Carbon Dioxide   | ND    | PPM |
| 6. Dissolved Oxygen | ND    | PPM |

**Cations**

- |                     |        | / | Eq. Wt. | = | MEQ/L |
|---------------------|--------|---|---------|---|-------|
| 7. Calcium (Ca++)   | 429.00 | / | 20.1    | = | 21.34 |
| 8. Magnesium (Mg++) | 109.00 | / | 12.2    | = | 8.93  |
| 9. Sodium (Na+)     | 502    | / | 23.0    | = | 38.39 |
| 10. Barium (Ba++)   | 0.000  | / | 68.7    | = | 0.00  |

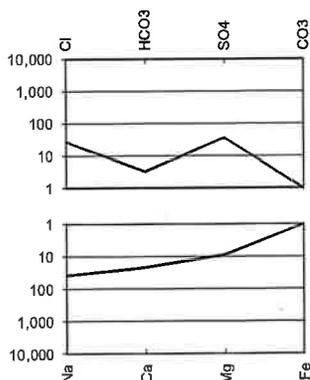
**Anions**

- |                         |       |   |      |   |       |
|-------------------------|-------|---|------|---|-------|
| 11. Hydroxyl (OH-)      | 0     | / | 17.0 | = | 0.00  |
| 12. Carbonate (CO3=)    | 0     | / | 30.0 | = | 0.00  |
| 13. Bicarbonate (HCO3-) | 205   | / | 61.1 | = | 3.36  |
| 14. Sulfate (SO4=)      | 1,840 | / | 48.8 | = | 37.70 |
| 15. Chloride (Cl-)      | 980   | / | 35.5 | = | 27.61 |

**Other**

- |  |         |   |            |      |             |
|--|---------|---|------------|------|-------------|
| 16. Total Iron (Fe)                    | 1.210   | / | 18.2       | =    | 0.07        |
| 17. Total Dissolved Solids             | 3,040   |   |            |      |             |
| 18. Total Hardness As CaCO3            | 1,520.0 |   |            |      |             |
| 19. Calcium Sulfate Solubility @ 90 F. | 1,548   |   |            |      |             |
| 20. Resistivity (Measured)             | 2.010   |   | Ohm/Meters | @ 77 | Degrees (F) |

Logarithmic Water Pattern



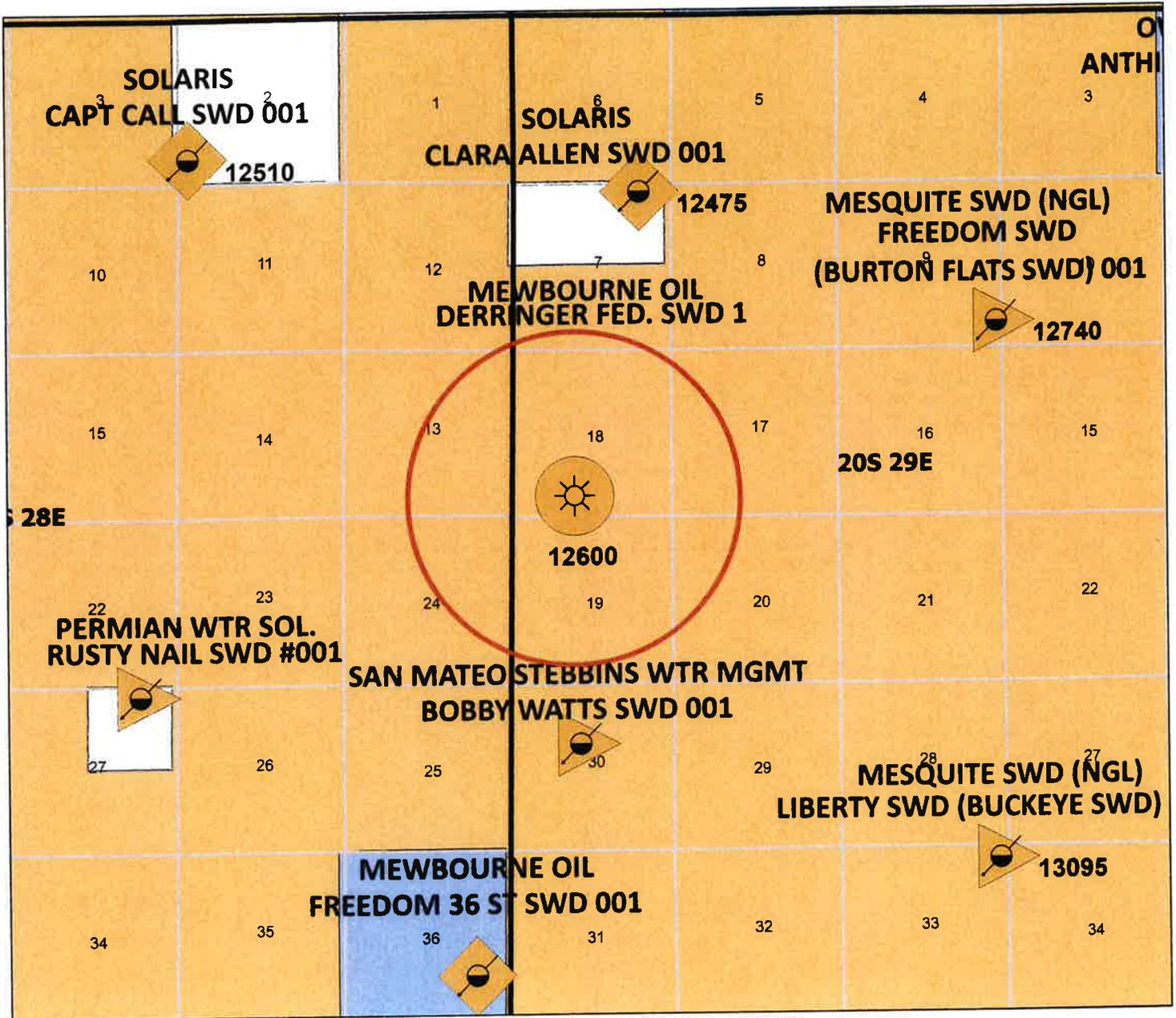
**PROBABLE MINERAL COMPOSITION**

| COMPOUND  | Eq. Wt. | X | MEQ/L | = | mg/L  |
|-----------|---------|---|-------|---|-------|
| Ca(HCO3)2 | 81.04   | X | 3.36  | = | 272   |
| CaSO4     | 68.07   | X | 17.99 | = | 1,224 |
| CaCl2     | 55.50   | X | 0.00  | = | 0     |
| Mg(HCO3)2 | 73.17   | X | 0.00  | = | 0     |
| MgSO4     | 60.19   | X | 8.93  | = | 538   |
| MgCl2     | 47.62   | X | 0.00  | = | 0     |
| NaHCO3    | 84.00   | X | 0.00  | = | 0     |
| NaSO4     | 71.03   | X | 10.78 | = | 766   |
| NaCl      | 58.46   | X | 27.61 | = | 1,614 |

ND = Not Determined

MEWBOURNE OIL COMPANY  
 DERRINGER 18 FEDERAL SWD #1  
 PRODUCING FORMATION WATER ANALYSIS

| Well                    | Well # | S  | TWP | RGE | Formation       | Date       | SG   | pH   | Na     | Ca     | Mg     | Fe | CL      | SO4 | HCO3 |
|-------------------------|--------|----|-----|-----|-----------------|------------|------|------|--------|--------|--------|----|---------|-----|------|
| Avalon Ridge 33 Fed Com | 2H     | 33 | 20S | 28E | 1st Bone Spring | 6/14/2012  | 1.13 | 6.65 | 60,885 | 2,000  | 1,200  | 10 | 100,000 | 250 | 312  |
| Savage 5 EH Fed         | 1H     | 5  | 20S | 29E | 1st Bone Spring | 4/30/2014  | 1.16 | 7.00 | 69,127 | 4,800  | 2,640  | 0  | 122,000 | 350 | 132  |
| Burton 4 Fed            | 3H     | 4  | 20S | 29E | 2nd Bone Spring | 3/5/2013   | 1.15 | 6.49 | 65,926 | 8,000  | 1,680  | 8  | 120,000 | 250 | 122  |
| Burton 4 PM Fec Com     | 2H     | 4  | 20S | 29E | 2nd Bone Spring | 2/24/2014  | 1.14 | 6.87 | 59,673 | 9,200  | 2,880  | 2  | 116,000 | 350 | 68   |
| Derringer 18 Fed        | 2H     | 18 | 20S | 29E | 2nd Bone Spring | 4/11/2013  | 1.17 | 6.79 | 67,801 | 8,000  | 4,800  | 0  | 132,000 | 350 | 73   |
| Glock 16 B2AD Fed Com   | 1H     | 16 | 20S | 29E | 2nd Bone Spring | 4/19/2016  | 1.14 | 5.93 | 41,055 | 8,755  | 20,271 | 23 | 138,500 | 525 | 244  |
| Henry 18 PM Fed Com     | 1H     | 8  | 20S | 29E | 2nd Bone Spring | 7/18/2014  | 1.17 | 5.68 | 64,258 | 11,600 | 3,120  | 0  | 128,000 | 350 | 29   |
| Perrazzi 9 B2EH Fed     | 1H     | 9  | 20S | 29E | 2nd Bone Spring | 4/14/2016  | 1.14 | 5.89 | 44,712 | 8,894  | 16,406 | 19 | 132,850 | 525 | 244  |
| Ruger 31 DA Fed         | 1H     | 31 | 19S | 29E | 2nd Bone Spring | 4/28/2014  | 1.15 | 6.80 | 63,211 | 10,000 | 1,920  | 0  | 120,000 | 350 | 98   |
| Derringer 18 B3DA Fed   | 2H     | 18 | 20S | 29E | 3rd Bone Spring | 4/18/2016  | 1.15 | 5.44 | 56,741 | 11,070 | 8,848  | 41 | 133,150 | 325 | 122  |
| Styx 17 W2PA Fee Com    | 1H     | 17 | 23S | 28E | Wolfcamp        | 4/11/2018  | 1.07 | 6.01 | 34,798 | 4,245  | 615    | 25 | 62,669  | 120 | 122  |
| Loving Townsite 21 WOPA | 2H     | 21 | 23S | 28E | Wolfcamp        | 11/12/2018 | 1.08 | 7.16 | 36,690 | 5,483  | 800    | 11 | 68,675  | 110 | 122  |

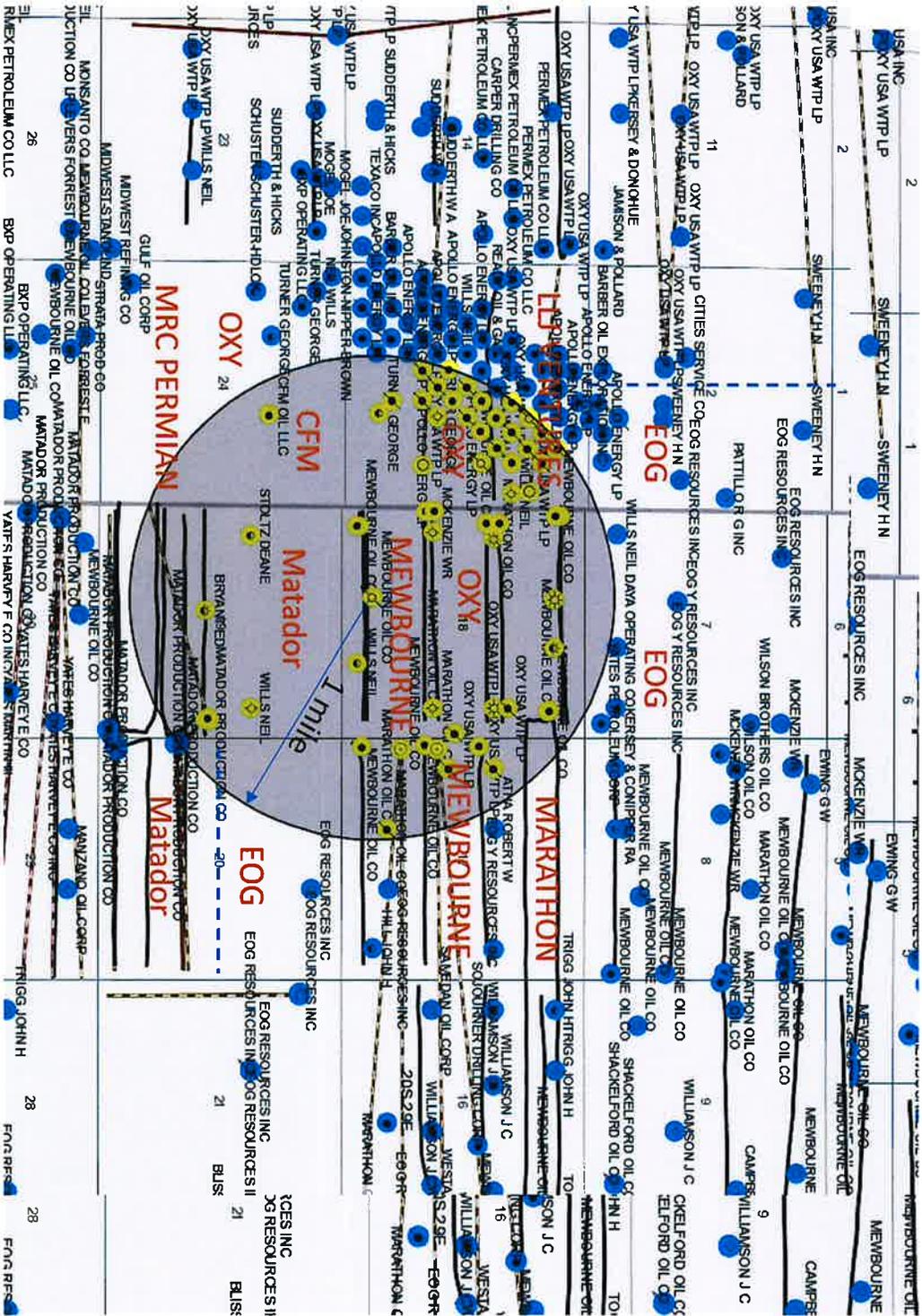


| BLM LEGEND  |               |
|---|---------------|
|  | FEDERAL LANDS |
|  | PRIVATE LANDS |
|  | STATE LANDS   |

|   |                           |
|---|---------------------------|
|  <b>Mewbourne Oil Company</b> |                           |
| <b>DERRINGER FEDERAL SWD #1</b><br>660 FSL & 1980 FWL SEC., 18 20S-29E<br>EDDY CO., NEW MEXICO                    |                           |
| Author:<br>sd   | Date:<br>12 October, 2020 |

ONE MILE AOR

OFFSET OPERATOR / LESSEE MAP



20S,  
28E

20S,  
29E

**Listing of Notified Persons**

Derringer Federal SWD #1 SWD Permit Modification Application SWD-1425  
660' FSL & 1980' FWL  
Section 18, T20S, R29E, Eddy County, NM

**Surface Owner**

Bureau of Land Management  
620 E. Greene St.  
Carlsbad, NM 88220

**Offsetting Operators Or Leasehold Owners Within 1 Mile**

**E/2, Section 12, 20S, 28E**

EOG Resources Inc.  
5509 Champions Dr.  
Midland, TX 79706

**Section 13, 20S, 28E**

LLJ Ventures, LLC  
701 W. Country Club Rd  
Roswell, NM 88201

OXY USA WTP Limited Partnership  
5 Greenway Plaza  
Houston, TX 77046

**Section 24, 20S, 28E**

CFM Oil, LLC  
422 W. Main St  
Artesia, NM 88210

OXY USA WTP Limited Partnership  
5 Greenway Plaza  
Houston, TX 77046

MRC Permian Co.  
5400 LBJ Freeway, Suite 1500  
One Lincoln Center  
Dallas, TX 75240

S2, Section 7, 20S, 29E

EOG Resources Inc.  
5509 Champions Dr.  
Midland, TX 79706

Section 17, 20S, 29E

Marathon Oil Permian LLC  
5555 San Felipe St.  
Permian Regulatory Team, Building D  
Houston, TX 77056

Mewbourne Oil Company  
P.O. 7698  
Tyler, TX 75711

Section 18, 20S, 29E

Mewbourne Oil Company  
P.O. Box 7698  
Tyler, TX 75711

OXY USA WTP Limited Partnership  
5 Greenway Plaza  
Houston, TX

Section 19, 20S, 29E

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

Section 20, 20S, 29E

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

EOG Resources Inc.  
5509 Champions Dr.  
Midland, TX 79706

# Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0004437048

This is not an invoice

**MEWBOURNE OIL COMPANY**  
3901 S BROADWAY AVE

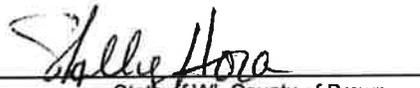
**TYLER, TX 75701**

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

10/25/2020

  
\_\_\_\_\_  
Legal Clerk

Subscribed and sworn before me this October 25, 2020:

  
\_\_\_\_\_  
State of WI, County of Brown  
NOTARY PUBLIC

8-25-23  
\_\_\_\_\_  
My commission expires

SHELLY HORA  
Notary Public  
State of Wisconsin

Ad # 0004437048  
PO #: C-108 NMICD  
# of Affidavits 1

This is not an invoice

### NOTICE

Mewbourne Oil Company has filed a form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking authority to modify the depth of the injection interval.

The Derringer Federal SWD #1 is located 600' FSL and 1980' FWL, Unit Letter N, Section 18, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. The well will dispose of water produced from nearby operated oil and gas wells into the Devonian-Silurian formation into an open-hole interval from a depth of 12,600 feet to 13,390 feet. Expected maximum injection rates are 25,000 BWPD at a maximum injection pressure of 2,520 psi.

Interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within 15 days. The name and address of the contact party for the applicant is Tim Harrington, Mewbourne Oil Company, 3620 Old Bullard Road, Tyler, Texas 75701, (903)-534-7647. The well is located approximately 12 miles northeast of Carlsbad, New Mexico. #4437048, Current Argus, Oct. 25, 2020



**MEWBOURNE**  
**OIL COMPANY**

---

October 26, 2020

Engineering and Geological Services Bureau, Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505  
Attn: Mr. Phillip Goetze

Re: Derringer Federal SWD #1  
Sec 18, Twp 20S, Rge 29E  
Eddy County, NM

Mr. Goetze,

In accordance with item XII on Mewbourne Oil Company's C-108 filed for the captioned salt water disposal well, Mewbourne Oil Company has examined geologic and engineering data and has found that there is no evidence of faulting or any other hydrologic connection between the proposed disposal zone and any underground sources of drinking water.

Should you have any questions, please email me at [tharrington@mewbourne.com](mailto:tharrington@mewbourne.com) or call me at (903) 534-7647.

Sincerely yours,

**MEWBOURNE OIL COMPANY**

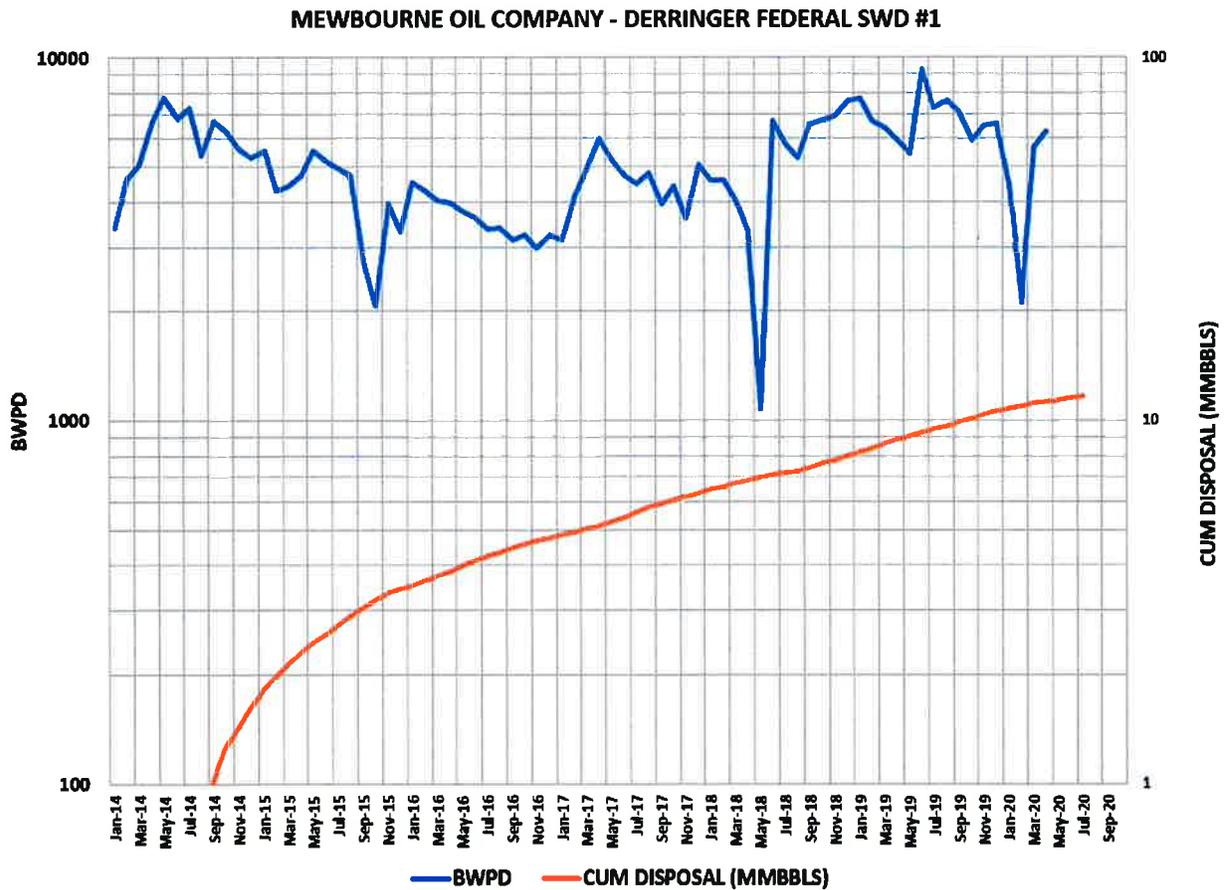
Tim Harrington  
Reservoir Engineer  
[tharrington@mewbourne.com](mailto:tharrington@mewbourne.com)

Mewbourne Oil Company  
 Derringer Federal SWD #1  
 C-108 Attachment  
 October 26, 2020

**STATEMENTS REGARDING SEISMICITY AND WELL SPACING**

Historically, the area nearby our proposed Derringer Federal SWD #1 has not seen a significant amount of seismic activity. The closest recorded seismic event (per USGS database) in this area occurred in November 1979 (magnitude 3.9) and was located 17.7 miles south of our proposed SWD (see attached map).

First injection into the Derringer Federal SWD #1 occurred in April 2014 and approximately 11 MMbbls of water has been injected through September 2020.



Mewbourne Oil Company does not own 2D or 3D seismic data near our proposed SWD therefore our fault interpretation is based on subsurface mapping and data obtained from public technical sources. Our publicly sourced faults data is from a 2005 paper by Ruppel et al. (map attached). Based off our subsurface mapping of the deep formations, Mewbourne has not interpreted any faults in the immediate area. The closest known mapped “deep” fault, that is documented in public data, is approximately 18.2 miles southwest of our proposed SWD.

Mewbourne Oil Company  
 Derringer Federal SWD #1  
 C-108 Attachment  
 October 26, 2020

A very recent technical paper written by Snee and Zoback , "State of Stress in the Permian, Basin, Texas and New Mexico: Implications for induced seismicity", that was published in the February 2018 edition of The Leading Edge, evaluates the strike-slip probability, using probabilistic FSP analysis, of known Permian Basin faults. This study predicts that the Precambrian fault located on our map has a 24-33% chance of being critically stressed so as to create an induced seismicity event. Injection into the Derringer Federal SWD will have no impact on the stress of this fault since the proposed SWD is located over 18 miles away.

The Derringer Federal SWD #1 is located greater than 1.5 miles away from any active, permitted or pending Devonian SWD application (see map), to meet current OCD and industry recommended practices.

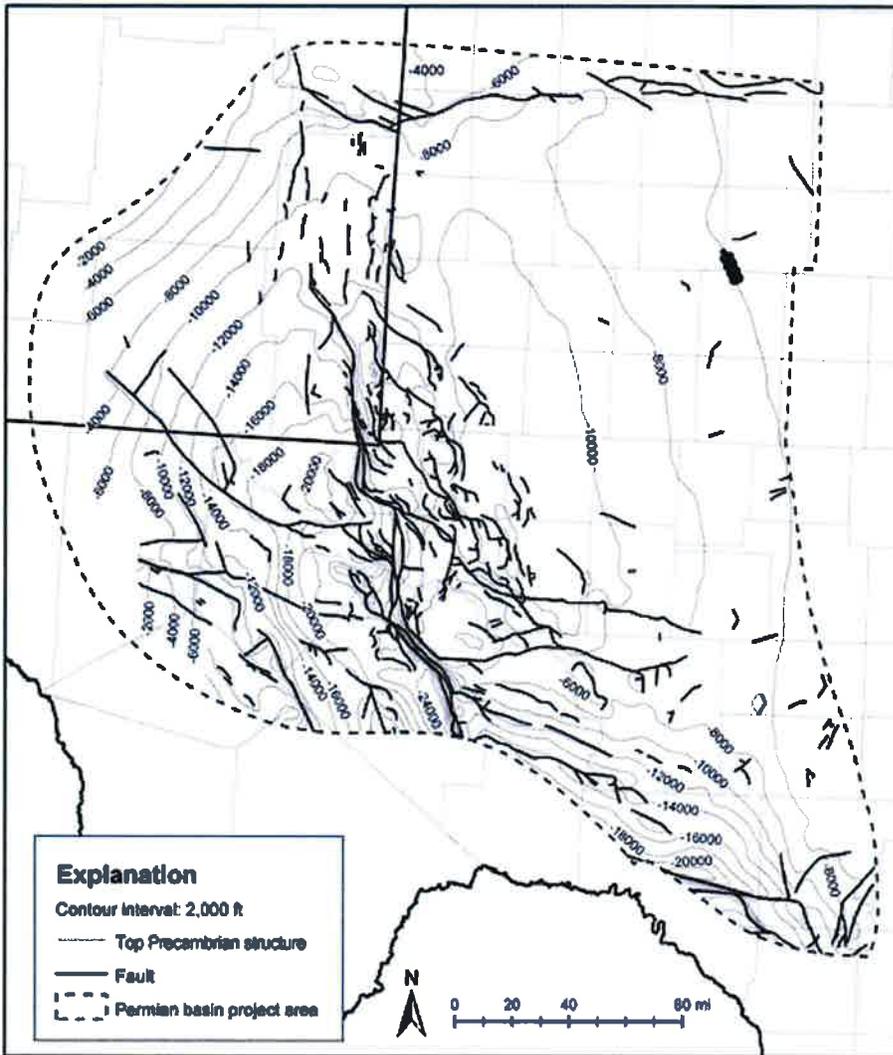
| Operator                    | Well Name                 | Status      | Distance from Derringer Fed SWD (miles) |
|-----------------------------|---------------------------|-------------|---|
| San Mateo Stebbins Wtr Mgmt | Bobby Watts Fed SWD #1    | Application | 1.5 (S)                                 |
| Solaris Midstream           | Clara Allen SWD #1        | Permit      | 1.9 (N)                                 |
| San Mateo Stebbins Wtr Mgmt | Shinnery Oak SWD #3       | Active      | 5.0 (SE)                                |
| Devon                       | Burton Flat Deep Unit #44 | Active      | 5.4 (SW)                                |
| Mewbourne Oil Company       | Freedom 36 State SWD #1   | Permit      | 2.9 (S)                                 |
| OWL SWD                     | Anthill State SWD #5      | Active      | 4.4 (NE)                                |

Timothy R. Harrington



Reservoir Engineer  
 tharrington@mewbourne.com  
 903-534-7647

Mewbourne Oil Company  
Derringer Federal SWD #1  
C-108 Attachment  
October 26, 2020



Precambrian Structure Map In the Permian Basin (Ruppel et al.)

Mewbourne Oil Company  
 Derringer Federal SWD #1  
 C-108 Attachment  
 October 26, 2020

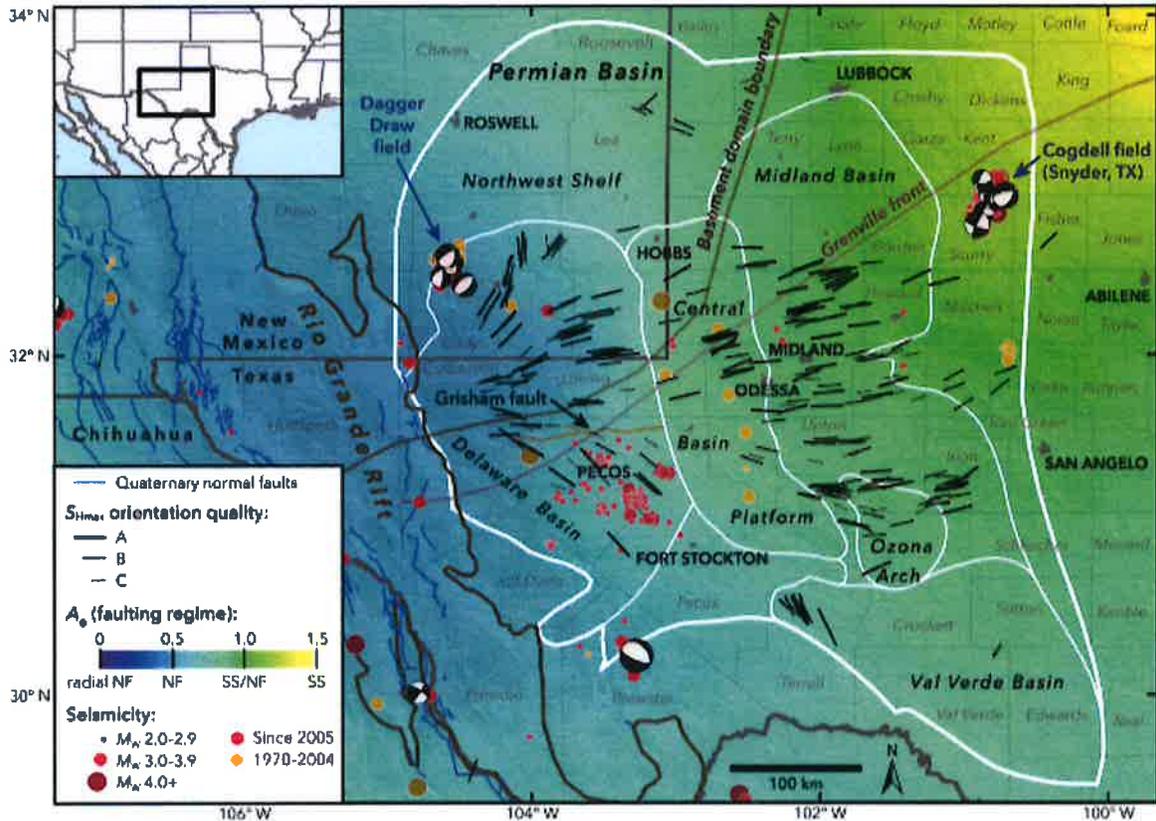
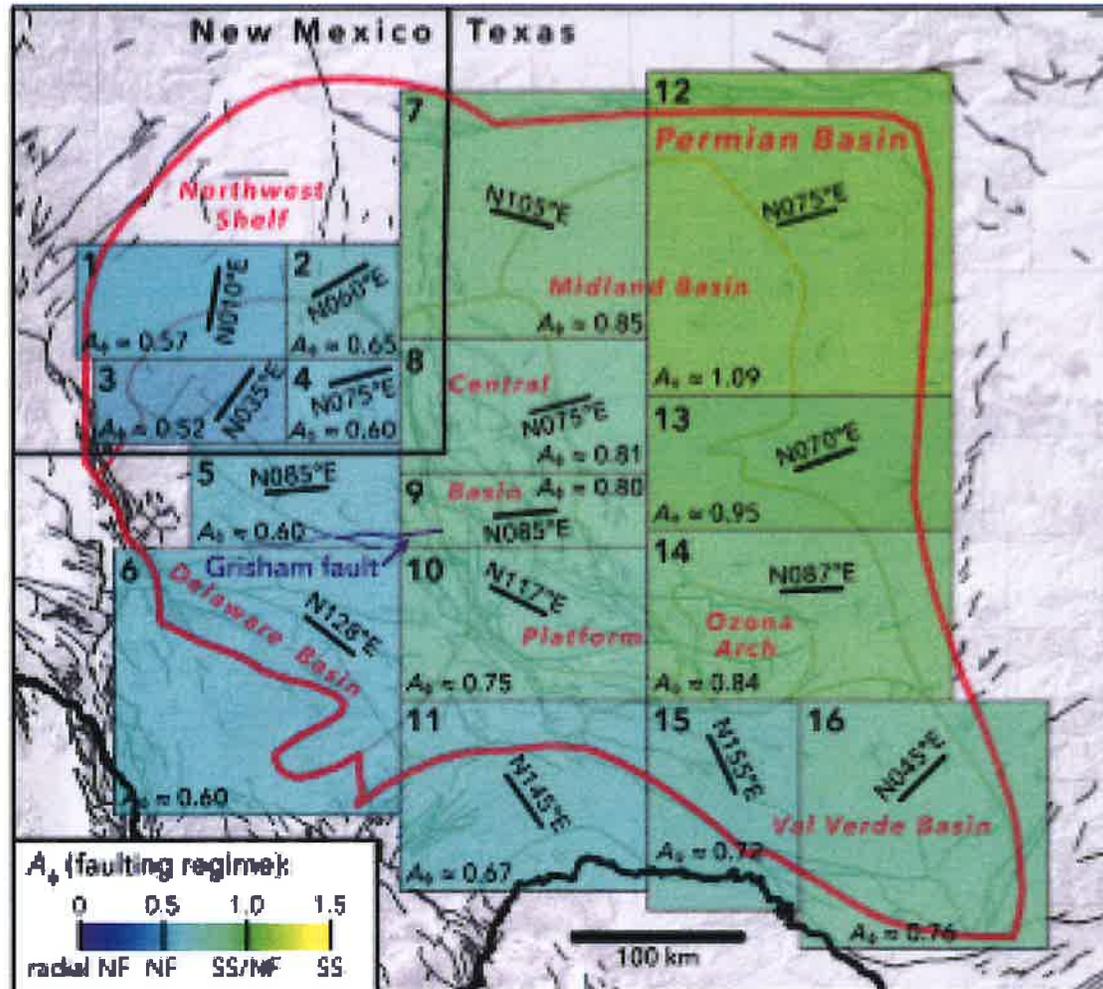


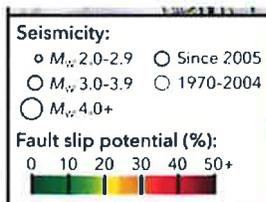
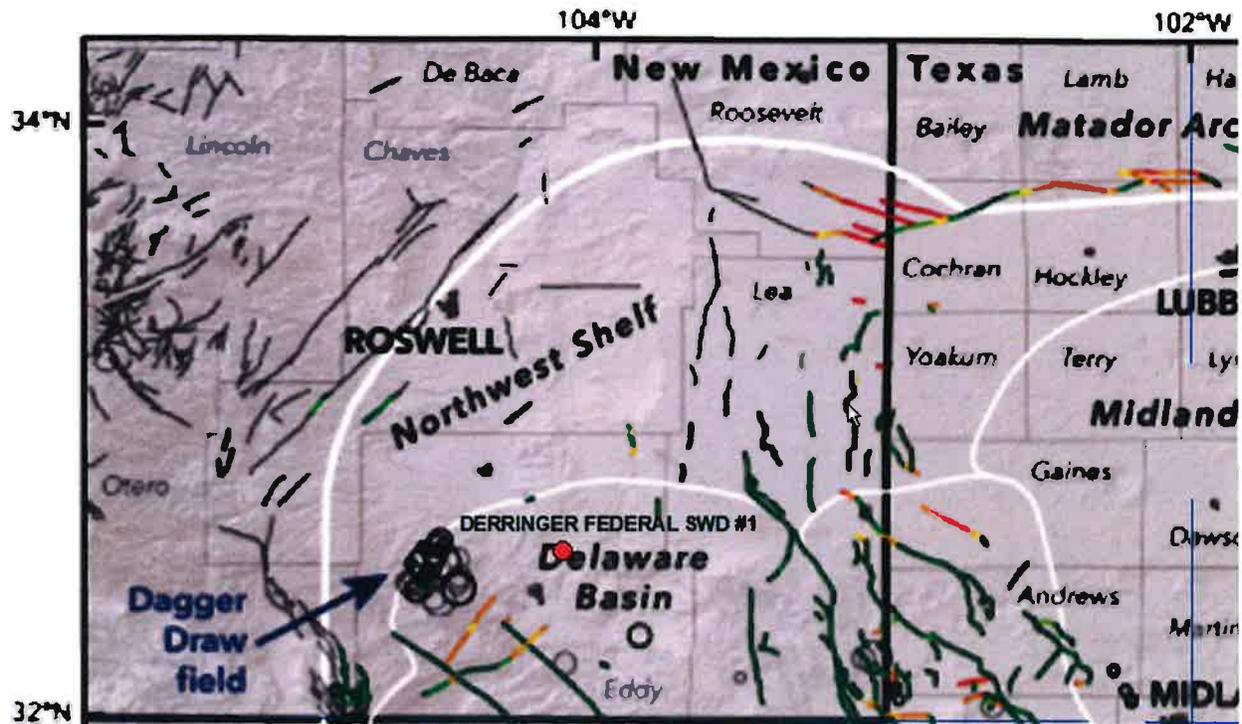
Figure 1. State of stress in the Permian Basin, Texas and New Mexico. Black lines are the measured orientations of  $S_{max}$  with line length scaled by data quality. The colored background is an interpolation of measured relative principal stress magnitudes (faulting regime) expressed using the  $A_0$  parameter (see text for details) of Simpson (1997). Blue lines are fault traces known to have experienced normal-sense offset within the past 1.6 Ma, from the USGS Quaternary Faults and Folds Database (Crone and Wheeler, 2000). The boundary between the Shawnee and Mazatzal basement domains is from Lund et al. (2015), and the Precambrian Grenville Front is from Thomas (2006). The Permian Basin boundary is from the U.S. Energy Information Administration, and the subbasin boundaries are from the Texas Bureau of Economic Geology Permian Basin Geological Synthesis Project. Earthquakes are from the USGS National Earthquake Information Center, the TedNet Seismic Monitoring Program, and Gan and Fröhlich (2013). Focal mechanisms are from Saint Louis University (Herrmann et al., 2011).

Mewbourne Oil Company  
 Derringer Federal SWD #1  
 C-108 Attachment  
 October 26, 2020



**Figure 2.** Map of study areas chosen for FSP analysis on the basis of broadly similar stress conditions. Text annotations indicate representative  $S_{1max}$  orientation and relative principal stress magnitudes ( $A_1$  parameter) for each study area based on the data presented in Figure 1. Gray lines in the background indicate fault traces compiled from Ewing et al. (1990), Green and Jones (1997), Ruppel et al. (2005), and the USGS Quaternary Faults and Folds Database (Crone and Wheeler, 2000), to which we apply FSP analysis.

Mewbourne Oil Company  
 Derringer Federal SWD #1  
 C-108 Attachment  
 October 26, 2020



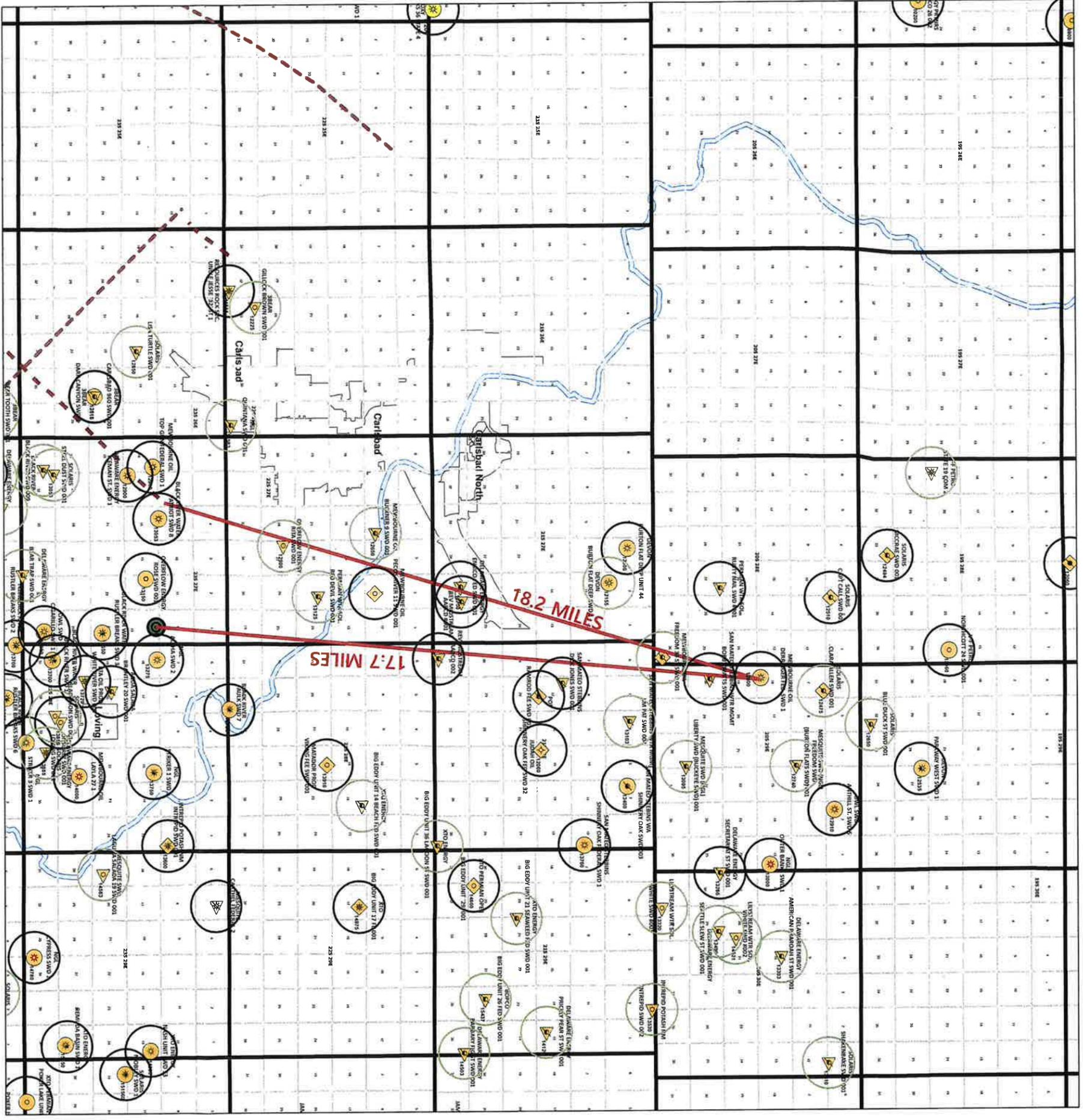
## References

Ewing, T.E., R.T. Budnik, J.T. Ames, and D.M. Ridner, 1990, Tectonic Map of Texas: Bureau of Economic Geology, University of Texas at Austin.

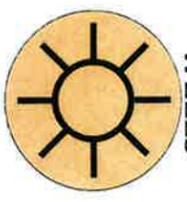
Green, G.N., and G.E. Jones, 1997, The digital geologic map of New Mexico in ARC/INFO format: U.S. Geological Survey Open-File Report.

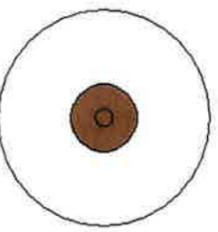
Jens-Erik Lund Snee and Mark D. Zoback, 2018, State of stress in the Permian Basin, Texas and New Mexico: Implications for induced seismicity: The Leading Edge, February 2018.

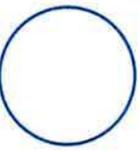
Ruppel, S.C., R.H. Jones, C.L. Breton, and J.A. Kane, 2005 Preparation of maps depicting geothermal gradient and Precambrian structure in the Permian Basin: Bureau of Economic Geology, Jackson School of Geosciences, The University of Texas at Austin, Austin, TX.



**ACTIVE DEVONIAN SWD WELLS**

 **TOP INTERVAL**

 **THREE QUARTER MILE RADIUS**

 **SIX MILE CIRCLE**

**PERMITTED DISPOSAL WELL** 

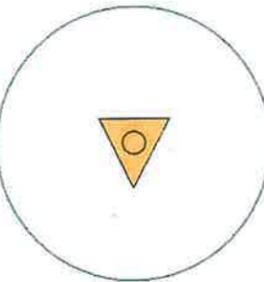
**ACTIVE DISPOSAL WELL** 

**PLUGGED DISPOSAL WELLS** 

**TEMPORARILY ABANDON** 

**SHUT - IN** 

**SWD WELLS IN APPLICATION PROCESS** 

 **OCD PENDING APPLICATIONS**

|   |                  |
|---|------------------|
| <b>M<sub>OC</sub> Mewbourne Oil Company</b> |                  |
| <b>DERRINGER FEDERAL SWD #1</b>             |                  |
| Sec. 18-205-29E                             |                  |
| 660 FSL, & 1980 FWL                         |                  |
| EDDY, NEW MEXICO                            |                  |
| Date:                                       | 12 October, 2020 |
| Scale: 1" = 17,400'                         | EDDY SWD Summary |
| Drawn by:                                   | EDDY SWD Summary |
| Checked by:                                 | EDDY SWD Summary |

**D** 30015200000 2.0 miles 30015200000 5.6 miles 30015200000 7.1 miles 30015200000

STANBARD CO. STATE FAC 1  
 STANBARD CO. STATE FAC 1  
 680 FULTON FEL  
 TWP. 19 S. Range 22 E. S4c. 10

NORTHCOTT 24 SAND DR  
 DAVENPORT 10  
 TWP. - Range - Sec

MANORVILLE CO. CO. DEPARTMENT FEDERAL S 1  
 DAVENPORT 10  
 TWP. 20 S. Range 21E. S4c. 18

ING BERRY UNIT 2H  
 DAVENPORT 10  
 TWP. 21 S. Range 22 E. S4c. 12

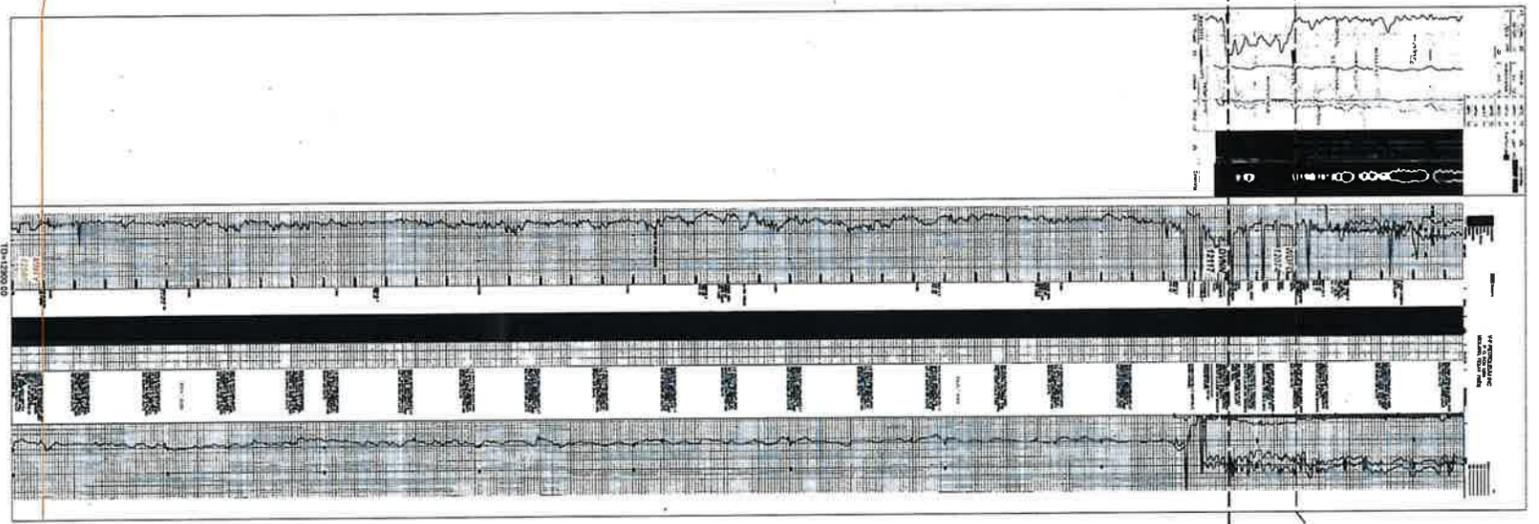
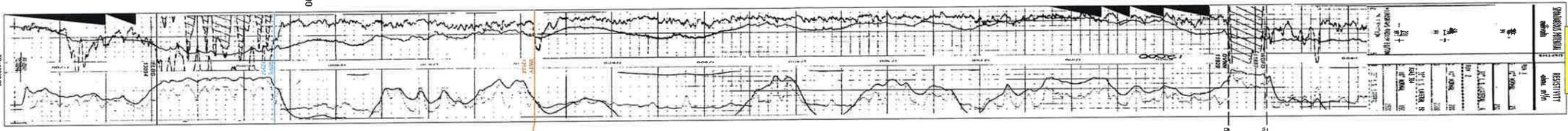
**D'**

**10 B**

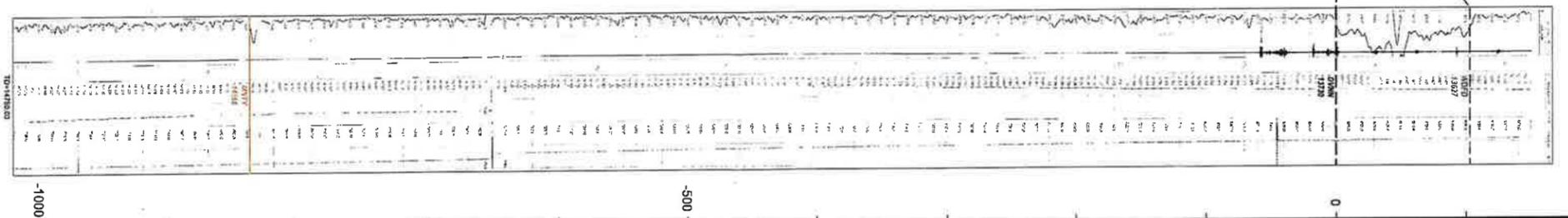
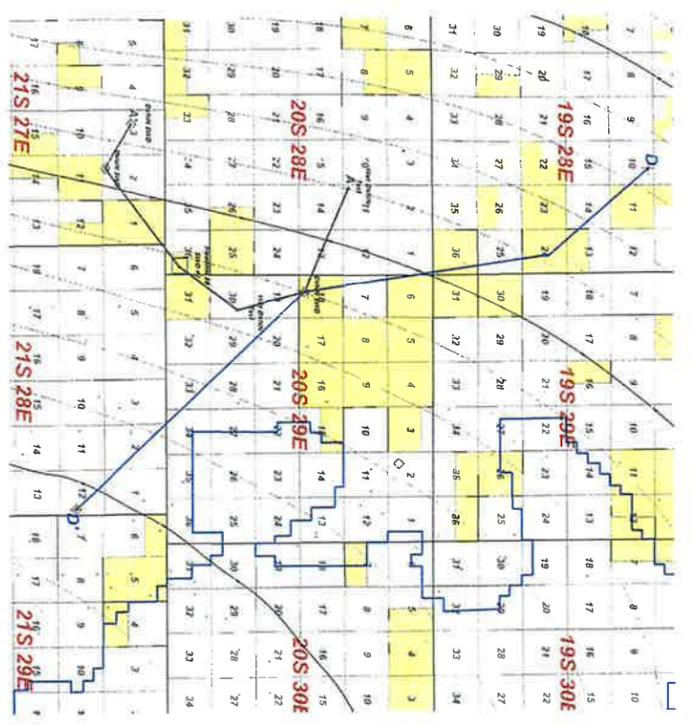
**24 G**

**18 N**

**12 I**



**Est MNTY Top  
13,400**



**Derringer  
DVNN D-D'**