

DATE IN 7/11/2016	SUSPENSE	ENGINEER PPG	LOGGED IN 7/12/2016	TYPE SWD	APP NO. PMA16194464/
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - 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

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or - Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☒ Offset Operators, Leaseholders or Surface Owner
 [C] ☒ Application is One Which Requires Published Legal Notice
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **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.

<u>Timothy R. Harrington</u> Print or Type Name	<u>Timothy R. Harrington</u> Signature	<u>Reservoir Engineer</u> Title	<u>7/07/16</u> Date
		<u>THARRINGTON@MEWBOURNE.COM</u> e-mail Address	

RECEIVED OGD
2016 JUL 11 P 2:20

July 7, 2016

New Mexico Oil Conservation Division
Engineering Bureau
1220 South St. Francis Dr.
Santa Fe, NM 87505

Re: C-108 Application for SWD Well
Salt Draw 28 Federal SWD #1
1980' FNL & 660' FEL, Unit H
Section 28, Township 24 South, Range 28 East
Eddy County, New Mexico

Enclosed are an original and one copy of Mewbourne Oil Company's C-108 Application for administrative approval of its proposed Salt Draw 28 Federal SWD #1. Mewbourne recently became operator and we plan to sidetrack and deepen this well located in Sec 28, Twp 24S, Rge 28E, N.M.P.M., Eddy County, New Mexico, and complete as a salt water disposal well in the Devonian, Fusselman & Montoya formations.

Similar application exhibits were sent to offset operators and the surface owner (distribution list attached) and confirmations of receipt will be e-mailed to you next week. The public notice of this application was published in the Carlsbad Current-Argus on July 3 and an Affidavit of Publication will also be forwarded.

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

Sincerely yours,

MEWBOURNE OIL COMPANY



Tim Harrington
Reservoir Engineer
tharrington@mewbourne.com

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: **7/07/16**
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: _____

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: Salt Draw 28 Federal SWD #1 (30-015-26142)

WELL LOCATION:	1980' FNL & 660' FEL	H	28	24S	28E
	FOOTAGE LOCATION	UNIT LETTER	SECTION	TOWNSHIP	RANGE

WELLBORE SCHEMATIC (See Attached)WELL CONSTRUCTION DATASurface Casing

Hole Size: 26"

Casing Size: 20" @ 600'

Cement with: 2405 sx

Top of Cement: Surface
(Did not circulate, run 1" &
cement to surface)Intermediate Casing

Hole Size: 17 1/2"

Casing Size: 13 3/8" @ 2540'

Stage 1: 4028 sx

Top of Cement: Surface
(Circulated)Intermediate 2 Casing

Hole Size: 12 1/4"

Casing Size: 9 5/8" @ 9,800'

Stage 1: 1575 sx

Top of Cement: 5,730'
(Temp Survey)Intermediate 3 Liner (Cut window in 9 5/8" casing @ 8,400')

Hole Size: 8 3/4"

Casing Size: 7 5/8" Top @ 8,000'
Bottom @ 14,175'

Cement with: 1,035 sx

DVT @ 14,115'

External Csg Packer @ 14,155'

Top of Cement: 8,000'

(Proposed: circulated to liner top)

Stage 1: 50 sx

Stage 2: 985 sx

TD @ 15,500'

Injection Interval

Permitted SWD interval 14,147'-15,500'

INJECTION WELL DATA SHEET

Tubing Size: **4 1/2"12.75# 13CR-HP1-110**

Lining Material: **None**

Type of Packer: **Model R (nickel plated)**

Packer Setting Depth: **+/- 14,105'**

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? **Production**

2. Name of the Injection Formation: **Devonian, Fusselman & Montoya - Open Hole Completion**

3. Name of Field or Pool (if applicable): **97803: SWD; Devonian-Montoya**

4. Has the well ever been perforated in any other zone(s)? **Yes. (see attached current well schematic)**

Bone Spring: 8,594-8,628' (CIBP @ 8,523' w/ 25 sx)

Atoka: 11,566-72', 11,604-14' & 11,660-67' (CIBP @ 11,500' w/ 52' cement)

Atoka: 11,695-11,704', 11,710-14', 11,720-30' & 11,759-63' (CIBP @ 11,690' w/ 7' cement)

Morrow: 12,625-45' & 12,663-68' (CIBP @ 12,520' w/ 35' cement)

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 – **Delaware (2,553'), Bone Spring (7,135'), Wolfcamp (9,418'), Strawn (11,558') Atoka (11,764') & Morrow (12,051'),**

Underlying producing zone – **N/A**

CURRENT WELL SCHEMATIC

Operator: **MEWBOURNE OIL COMPANY**

Location: 1980' FNL and 660' FEL
Sec 28, T24S, R28E
Eddy County, NM

Compl.: Nov-89
API #: 30-015-26142
TD: 13,335'
PBD: 8442' (CIBP @ 8523' w/25sx "H" cmt)
Casing: 20" 106.5# K-55 ST&C @ 600'
cmt. w/ 2405 sx + 7 yds of gravel to surface
TOC surf
13-3/8" 54.5# K55 ST&C @ 2540'
3600 sx "C" 1" with 420 sx (cement to surface)
TOC surf
9-5/8" 43.5# & 53.5# N80&S95&P110 @ 9800'
cmt with 1575 sx
TOC 5730' by TS
5-1/2" 23# N-80&P-110 LT&C Liner @ 13450'
cmt with 1650 sx
Circ cement through top of liner

Tubing:
12/20/2014 Notched collar
1.1 ft 2-3/8" CUP TYPE SEATING NIPPLE
AJL: 262 jts 2-3/8" EUE AB MODIFIED N-80 TUBING
31.98
12.0 ft BELOW KB
EOT

NOTE: Tubing and 9-5/8" annulus filled with Fresh Water 12/20/2014

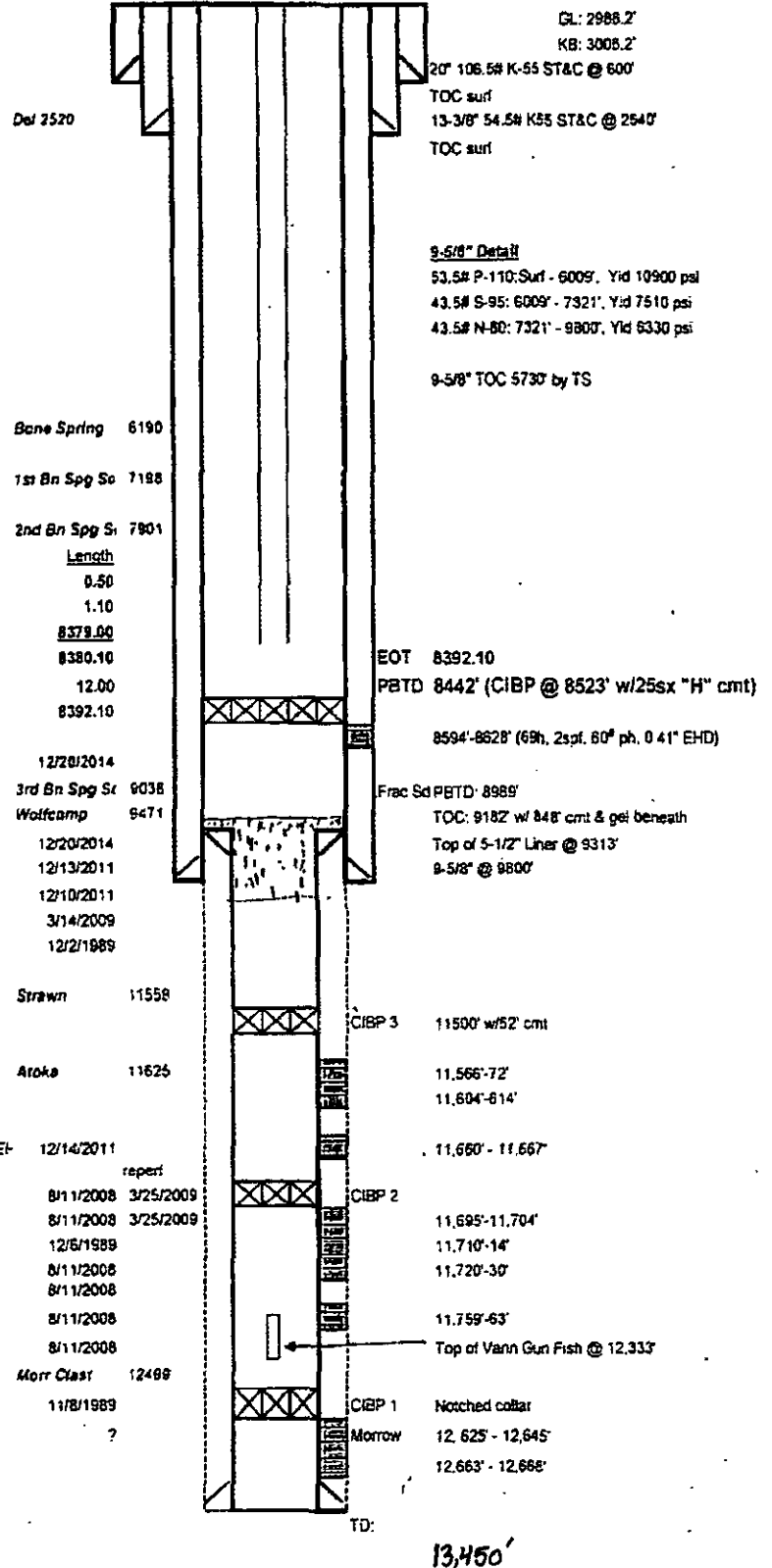
CIBP4 @ 8523' with 25sx "H" cement
PLUG 1 9182'-9850' w/ 848' cement (125 sx "H")
CIBP3 @ 11,500' with 52' cement
CIBP2 @ 11,690' with 7' cement
CIBP1 @ 12,520' with 35' cement

Perforations:

Well	Interval	Date	Notes
Bone Spring	8594'-8628' (68h, 2spt, 60" ph, 0.41" Et)	12/14/2011	report
Aloks	11,566'-72'	8/11/2008	3/25/2009
	11,604'-814'	8/11/2008	3/25/2009
	11,650' - 11,667'	12/6/1989	
	11,695'-11,704'	8/11/2008	
	11,710'-14'	8/11/2008	
	11,720'-30'	8/11/2008	
	11,759'-63'	8/11/2008	
Morrow	12,625' - 12,645'	11/8/1989	
	12,663' - 12,668'	?	

Salt Draw "28" Federal No. 1

Current 12-20-14



NOTE: DIAGRAM PREPARED BY PRIOR
OPERATOR FASKEN OIL AND RANCH, LTD.

Mewbourne Oil Company

Well Name: Salt Draw 28 Federal SWD #1
Spud: 7/19/1989

Last Updated by: A. Taylor on 7/6/2016

20" 106.5# K-55 STC
Set @ 600'
Cmt w/ 2405 sx. TOC @ Surface

13 3/8" 54.5# K-55 STC
Set @ 2540'
Cmt w/ 4028 sx. TOC @ Surface

CIBP @ 8523' w/ 81' cmt

9 5/8" 43.5# N-80 & S-95 & 53.5# P-110 LTC
Set @ 9800'
Cmt w/ 1575 sx. TOC @ 5730' (TS)

Cmt Plug (125 sx) 9182'-9850'

CIBP @ 11500' w/ 52' cmt

CIBP @ 11690' w/ 7' cmt

CIBP @ 12520' w/ 35' cmt

5 1/2" 23# N-80 & P-110 LTC Liner
Set from 9313'-13450'
Cmt w/ 1650 sx

7 5/8" 39# P-110 LTC Liner
Set from 8000'-14175'

6 1/8" Open Hole
TD @ 15,500'

Liner Top @ 8000'

MIII 8 3/4" window in 9 5/8" csg
Whipstock set @ 8400'

Bone Springs Perfs
8594'-8628'

Atoka Perfs
11566'-572', 11604'-814',
& 11660'-667'

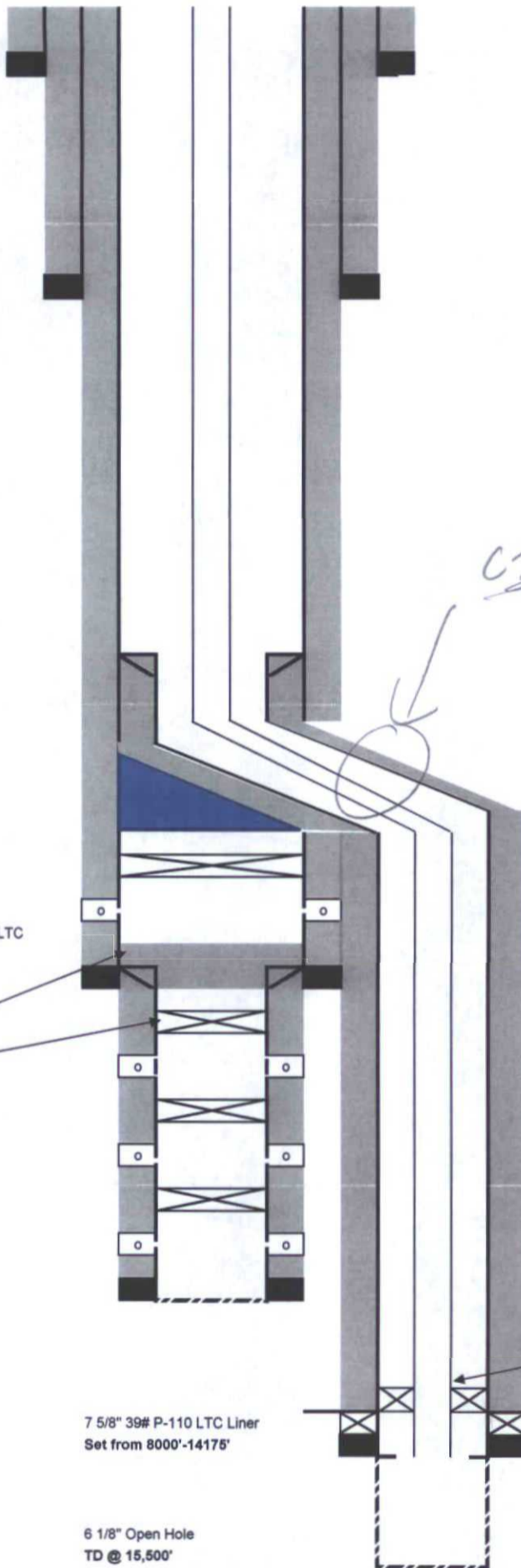
Atoka Perfs
11695'-704', 11710'-714',
11720'-730' & 11759'-763'

Morrow Perfs
12625'-645' & 12663'-668'

Injection String
4 1/2" 12.75# 13CR-HP1-110
Pkr Set @ 14105'

DV Tool @ 14115'
Cmt 2nd stg w/ 985 sx
External Csg Pkr Set @ 14155'
Cmt 1st stg w/ 50 sx

C-B-L-7500'



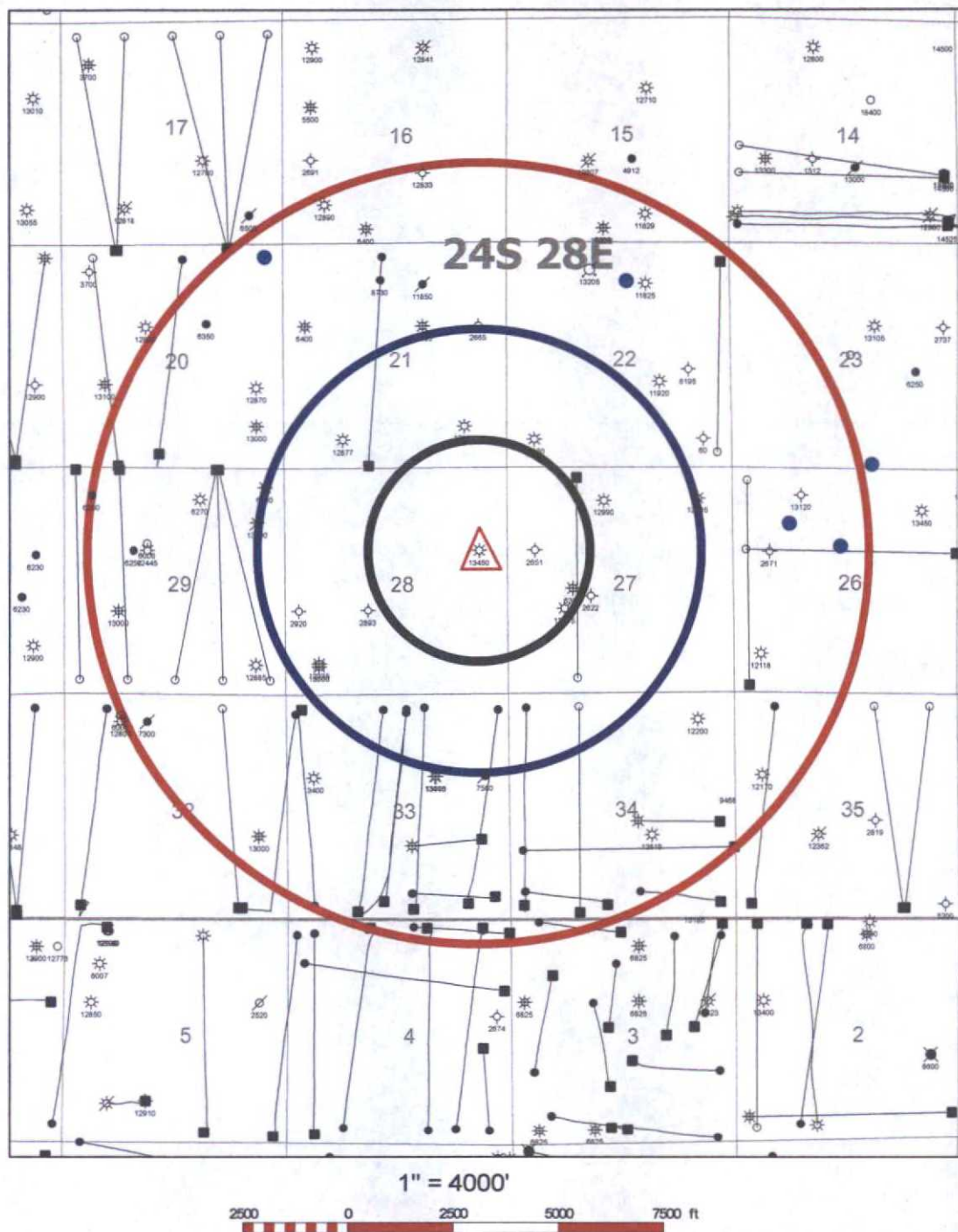
SALT DRAW 28 FEDERAL SWD #1

Unit H, Sec 28, T24S R 28E

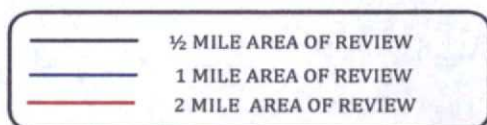
Eddy County, NM

- V. Maps are attached
- VI. There are no wells with the ½ mile radius area of review that penetrate the proposed disposal zone. A tabulation of wells within the radius of review has been attached.
- VII. 1. Proposed average daily injection rate = 10,000 Bwpd
Proposed maximum daily injection rate = 25,000 Bwpd
2. Closed system
3. Proposed maximum injection pressure = 2,829 psi (0.2 psi/ft x 14,147 ft = 2,829 psi)
4. Source of injected water will be produced water from MOC operated wells completed in the Avalon, Bone Spring and Wolfcamp. Analysis of Avalon, Bone Spring and Wolfcamp waters from analogous source wells are attached.
5. We will be injecting into the Devonian, Fusselman & Montoya formations. Devonian formation water is known to be compatible with the formation water of the Avalon, Bone Spring and Wolfcamp; however, a Devonian water analysis from the immediate area is unavailable
- VIII. 1. The proposed injection interval is comprised of the Devonian, Fusselman & Montoya formations from 14,147' –15,500'. It is estimated that the base of the injection interval should be approximately 200' above the top of the Ellenburger.
- Other Projected Formation Tops:
- | | |
|------------------------|----------------|
| Mississippian | 13,796' |
| Woodford | 13,996' |
| Devonian | 14,147' |
| EST TOTAL DEPTH | 15,500' |
| Simpson | 15,600' |
| Ellenburger | 15,700' |
2. The underground fresh water aquifers (unnamed) are present at shallow depths <260'. There are no known fresh water intervals underlying the injection formation.
- IX. The injection interval will be acidized with approximately 30,000 gallons of 15% HCl acid.
- X. A gamma-ray neutron log will be run from TD to surface and filed with the Division.
- XI. There are no fresh water wells of record, at the NM State Engineers Office, within one mile of the proposed SWD well. A water sample was caught and analyzed from a well found in SE, NW S-26, T-24S, R-28E.

- 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. A signed affidavit has been attached.
- XIII. Proof of Notice is attached.



SALT DRAW 28 FEDERAL #001 SWD WELL



**DOCUMENTED FRESH WATER WELLS
 FROM NEW MEXICO OFFICE OF STATE
 ENGINEER**

M_{OC} Mewbourne Oil Company		
SALT DRAW 28 FEDERAL #1 SEC. 28 - 24S-28E EDDY, NEW MEXICO		
Tech: Steve Daughtry	Scale: 1"=4000'	Date: 24 June, 2016

MEWBOURNE OIL COMPANY
SALT DRAW 28 FEDERAL SWD #1
C-108 APPLICATION - LISTING OF WELLS WITHIN 1/2 MILE RADIUS

TOP OF PROPOSED
DISPOSAL INTERVAL 14147

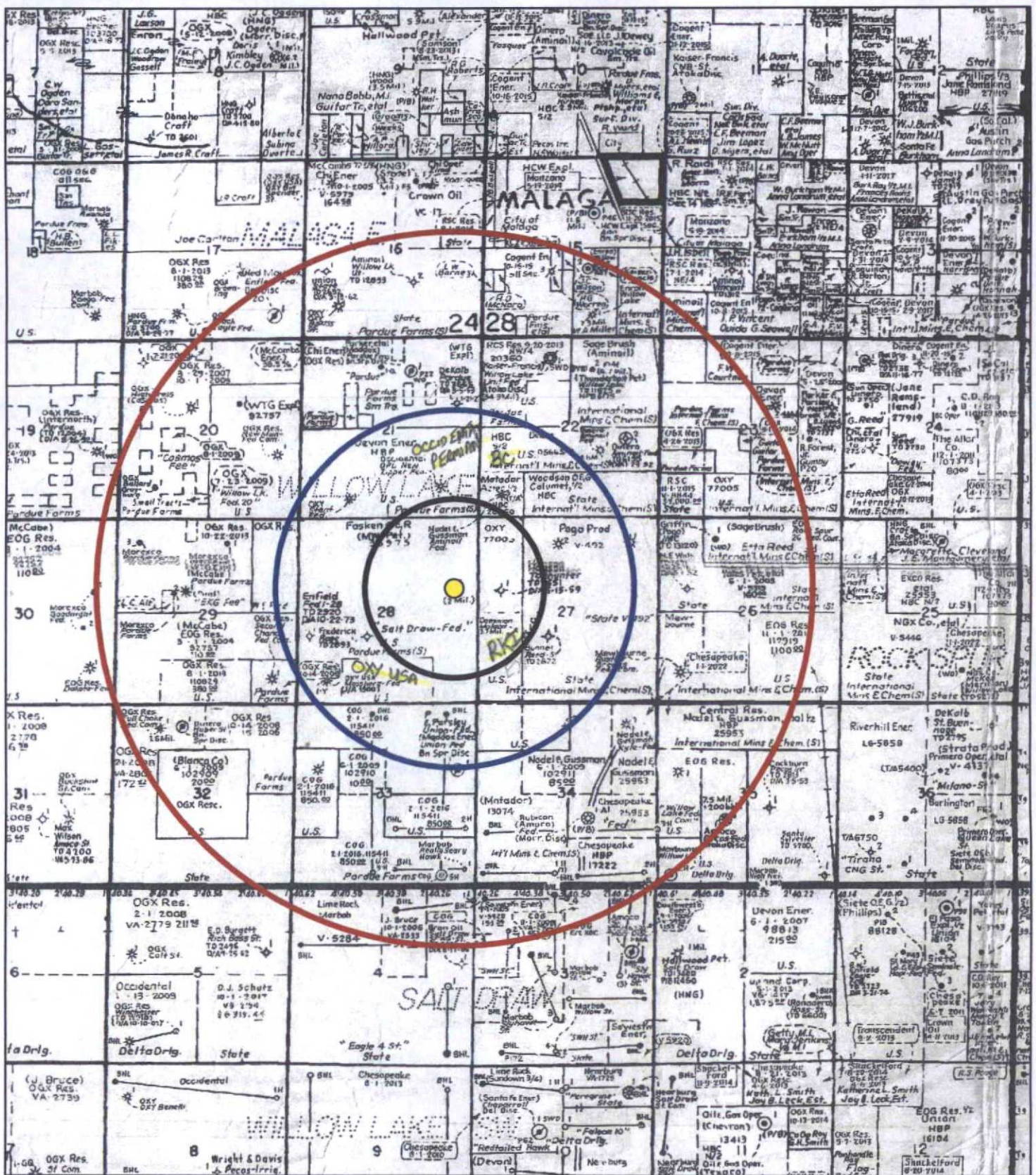
Hole ID#	API	Lease Name	Well Num	Operator Name	Current Operator	Location	Footage	Current Status	Final Status	IP Prod Form Name	TVD (FT)	Driller TD (FT)	Form at TD Name	Oldest Age Penetrated Name	Proj Depth	Proj Form	Permit Date	Spud Date	Comp Date
V	3001533530000	OPL NEW ZIPPER FEDERAL	1	OCCIDENTAL PERMIAN	OCCIDENTAL PERMIAN	245 28E 21 NW SE SE	990 FSL 990 FSL CONGRESS SECTION	ACTIVE	GAS	MORROW	12921	12921	MORROW LOWER	PENNSYLVANIAN MORROWAN	12900	MORROW	2004-04-21	2004-07-21	2004-10-25
H	30015412720000	STENT 21 FEDERAL COM	2H	OCCIDENTAL PERMIN LP	OCCIDENTAL PERMIAN	245 28E 21 SE SW	50 FSL 2000 FWL CONGRESS SECTION	ACTIVE	OIL	BONE SPRING	8080	12732	BONE SPRING	PERMIAN LEONARDIAN	12749	BONE SPRING	2013-03-15	2013-12-01	2014-02-25
V	30015350700000	AMINOIL FEDERAL	3	NADEL & GUSSMAN	BC OPERATING INC	245 28E 22 C SW SW	660 FSL 660 FWL CONGRESS SECTION	ACTIVE	GAS	MORROW	12950	12950	MORROW	PENNSYLVANIAN MORROWAN	12900	MORROW	2006-07-17	2006-12-16	2008-03-14
V	30015025060000	REED STATE	1	BUNNEL ROBERT L	BUNNEL ROBERT L	245 28E 27	2280 FSL 1980 FWL CONGRESS SECTION	P&A	D&A		2622	2622	UNKNOWN	PERMIAN GUADALUPIAN			1956-11-09	1956-11-19	1957-01-30
H	30015437120000	ROCK SPUR 27 W2CN STATE COM	1H	MEWBOURNE OIL CO	MEWBOURNE OIL CO	245 28E 27	250 FNL 1650 FWL CONGRESS SECTION	LOCATION	PERMIT						15150	WOLFCAMP	2015-07-09		
V	30015025070000	TODHUNTER	1	HANSON EA-DENISON SD	HANSON EA-DENISON SD	245 28E 27	1980 FNL 660 FWL CONGRESS SECTION	P&A	D&A-G		2651	2651	UNKNOWN	PERMIAN GUADALUPIAN			1959-04-25	1959-05-05	1959-05-15
V	30015324660000	STATE V 492	2	POGO PRODUCING CO	MEWBOURNE OIL CO	245 28E 27 NE NW	800 FNL 7900 FWL CONGRESS SECTION	ACTIVE	GAS	ATOKA	12990	12990	MORROW	PENNSYLVANIAN MORROWAN	13500	MORROW	2002-10-08	2002-10-11	2003-03-15
V	30015274510000	WOLASKA	2	COLLINS & WARE INC	RKI EXP & PROD LLC	245 28E 27 NE SW	1880 FSL 2330 FWL CONGRESS SECTION	ACTIVE	GAS	ATOKA	12095	12095	ATOKA	PENNSYLVANIAN ATOKA/BENDY/DOTTSVILLEAN	13000	MORROW	1993-05-19	1993-05-29	1993-07-23
V	30015366940000	BRASKY 27	1	RKI EXP & PROD LLC	RKI EXP & PROD LLC	245 28E 27 NW NE SW	2460 FSL 1550 FWL CONGRESS SECTION	CANCELLED	AB-LOC						6300	BONE SPRING	2008-10-15		
V	30015025080000	REED	1	FREDERICK CJ	FREDERICK CJ	245 28E 28	1980 FSL 1980 FWL CONGRESS SECTION	P&A	TA-O		2770	2770	UNKNOWN	PERMIAN GUADALUPIAN		UNKNOWN	1937-08-20	1937-08-30	1938-12-12
V	30015025080001	REED	1	FREDERICK CJ	FREDERICK CJ	245 28E 28	1980 FSL 1980 FWL CONGRESS SECTION	P&A	D&AW		2893	2893					1940-12-22	1941-01-01	1941-06-15
V	30015354010000	MOSSBERG FEDERAL	1	OXY USA WTP LP	OXY USA WTP LP	245 28E 28 E2 SW SW	660 FSL 810 FWL CONGRESS SECTION	P&A	J&A		656	13000	PENNSYLVANIAN	PENNSYLVANIAN UNDIFFERENTIATED	13000	MORROW	2007-01-22	2007-02-28	2007-03-30
V	30015355300000	MOSSBERG FEDERAL	1V	OXY USA WTP LP	OXY USA WTP LP	245 28E 28 NE SW SW	725 FSL 809 FWL CONGRESS SECTION	ACTIVE	GAS	ATOKA	12935	12935	MORROW	PENNSYLVANIAN MORROWAN	13000	MORROW	2007-03-30	2007-03-31	2007-08-25

LIST OF OFFSET OPERATORS TO BE NOTIFIED

OCCIDENTAL PERMIAN	SECTION 21
BC OPERATING INC	SECTION 22
RKI EXP & PROD LLC	SECTION 27
OXY USA WTP LP	SECTION 28

LISTING OF SURFACE OWNERS TO BE NOTIFIED

PECOS VALLEY ARTESIAN CONSERVATION DISTRICT	SECTION 28
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MOC Mewbourne Oil Company

SALT DRAW 28 FED SWD #1 APPLICATION
 28-24S - 28E
 EDDY, NEW MEXICO

Author:		Date:	24 June, 2016
id			

SALT DRAW 28 FEDERAL SWD #1 APPLICATION

[illegible]

Endura Products Corp.
P.O. Box 3394, Midland, Texas 79702
Phone (432) 684-4233 Fax (432) 684-4277

WATER ANALYSIS

Date **5/9/2016** Endura Rep **Michael McNeil**
Sampling Point/Date **well head 5/5/2016**
Company **Mewbourne Oil**
Formation _____ Lease _____

Code **105021538**
State **New Mexico**
County **Eddy**
Well **#Water Well off**
set

Fresh Water Sample
26-245-28E

DISSOLVED SOLIDS

CATIONS

	mg/l	me/l
Sodium, Na+ (Calc.)	897	39
Total Hardness as Ca++	1,725	0
Calcium Ca++	648	32
Magnesium, Mg++	657	55
Barium, Ba++	0	0
Iron (Total) Fe+++*	0	0

ANIONS

Chlorides, Cl-	2,300	65
Sulfate, SO4-	2,750	57
Carbonate, CO3-	0	0
Bicarbonates, HCO3-	244	4
Sulfide, S-*	0	0
Total Dissolved Solid	7,496	

OTHER PROPERTIES

pH*	7.830
Specific Gravity, 60/60 F.	1.005
Turbidity	32

SCALING INDICIES

<u>TEMP, F</u>	<u>CA CO3</u>	<u>ASO4*2H2O</u>	<u>CA SO4</u>	<u>BA SO4</u>
80	0.8108	-0.0729	-0.2198	-28.4288
120	1.0792	-0.0800	-0.0464	-28.6523
160	1.4288	-0.0522	0.1541	-28.8095

PERFORATIONS

Endura Products Corp.
P.O. Box 3394, Midland, Texas 79702
Phone (432) 684-4233 Fax (432) 684-4277

WATER ANALYSIS

Date **5/9/2016** Endura Rep **Michael McNeil** Code **105021540**
Sampling Point/Date **well head 5/5/2016** State **New Mexico**
Company **Mewbourne Oil** County **Eddy**
Formation Lease **Delaware Ranch 11 Fed Com** Well **#2H**

AVALON Shale Producer

DISSOLVED SOLIDS

<u>CATIONS</u>	mg/l	me/l
Sodium, Na+ (Calc.)	79,120	3,440
Total Hardness as Ca++	15,550	0
Calcium Ca++	2,931	147
Magnesium, Mg++	7,695	641
Barium, Ba++	0	0
Iron (Total) Fe+++*	32	2

ANIONS

Chlorides, Cl-	149,350	4,207
Sulfate, SO4-	150	3
Carbonate, CO3-	0	0
Bicarbonates, HCO3-	1,220	20
Sulfide, S-*	0	0
Total Dissolved Solid	240,498	

OTHER PROPERTIES

pH*	6.630
Specific Gravity, 60/60 F.	1.149
Turbidity	357

SCALING INDICIES

<u>TEMP. F</u>	<u>CA CO3</u>	<u>ASO4*2H2O</u>	<u>CA SO4</u>	<u>BA SO4</u>
80	1.5142	-1.3407	-1.6650	-29.4407
120	1.9995	-1.3588	-1.5026	-29.5974
160	2.7369	-1.3912	-1.3623	-29.8134

PERFORATIONS

Endura Products Corp.
P.O. Box 3394, Midland, Texas 79702
Phone (432) 684-4233 Fax (432) 684-4277

WATER ANALYSIS

Date	5/9/2016	Endura Rep	Michael McNeil	Code	105021553
Sampling Point/Date	well head 5/5/2016			State	New Mexico
Company	Mewbourne Oil			County	Eddy
Formation		Lease	San Lorenzo 22-27 Lee Fee	Well	#1

BONE Spring Producer

DISSOLVED SOLIDS

CATIONS

	mg/l	me/l
Sodium, Na+ (Calc.)	50,025	2,175
Total Hardness as Ca++	26,350	0
Calcium Ca++	8,396	420
Magnesium, Mg++	10,948	912
Barium, Ba++	0	0
Iron (Total) Fe+++*	35	2

ANIONS

Chlorides, Cl-	124,200	3,499
Sulfate, SO4-	300	6
Carbonate, CO3-	0	0
Bicarbonates, HCO3-	244	4
Sulfide, S-*	0	0
Total Dissolved Solid	194,148	

OTHER PROPERTIES

pH*	6.400
Specific Gravity, 60/60 F.	1.125
Turbidity	124

SCALING INDICIES

<u>TEMP. F</u>	<u>CA CO3</u>	<u>ASO4*2H2O</u>	<u>CA SO4</u>	<u>BA SO4</u>
80	0.8029	-0.6543	-0.9523	-29.4125
120	1.2508	-0.6732	-0.7908	-29.5830
160	1.9340	-0.7131	-0.6580	-29.8042

PERFORATIONS

Endura Products Corp.
P.O. Box 3394, Midland, Texas 79702
Phone (432) 684-4233 Fax (432) 684-4277

WATER ANALYSIS

Date	5/9/2016	Endura Rep Michael McNeil	Code	105021551
Sampling Point/Date	5/5/2016		State	New Mexico
Company	Mewbourne Oil		County	Eddy
Formation		Lease San Lorenzo	Well	#150B

Wolfcamp Shale Producer

DISSOLVED SOLIDS

CATIONS

	mg/l	me/l
Sodium, Na+ (Calc.)	31,625	1,375
Total Hardness as Ca++	5,750	0
Calcium Ca++	2,704	135
Magnesium, Mg++	1,857	155
Barium, Ba++	0	0
Iron (Total) Fe+++*	49	3

ANIONS

Chlorides, Cl-	58,950	1,661
Sulfate, SO4-	25	1
Carbonate, CO3-	0	0
Bicarbonates, HCO3-	366	6
Sulfide, S-*	0	0
Total Dissolved Solid	95,576	

OTHER PROPERTIES

pH*	6.670
Specific Gravity, 60/60 F.	1.070
Turbidity	418

SCALING INDICIES

<u>TEMP, F</u>	<u>CA CO3</u>	<u>ASO4*2H2O</u>	<u>CA SO4</u>	<u>BA SO4</u>
80	-0.0915	-2.1556	-2.3544	-29.1476
120	0.2286	-2.1669	-2.1853	-29.3708
160	0.7233	-2.1718	-2.0176	-29.5986

PERFORATIONS

July 7, 2016

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

Re: Salt Draw 28 Federal SWD #1

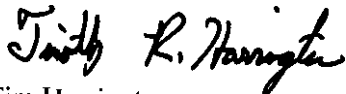
Mr. Goetze,

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 or call me at (903) 534-7647.

Sincerely yours,

MEWBOURNE OIL COMPANY

A handwritten signature in black ink, appearing to read "Tim R. Harrington".

Tim Harrington
Reservoir Engineer

Listing of Notified Persons

Salt Draw 28 Federal SWD #1 Application
1980' FNL & 660' FEL
Section 28, T24S, R28E, Eddy County, NM

Surface Owner

Pecos Valley Artesian Conservation Division
P.O. Box 1346
Roswell, NM 88202

Mineral Owner

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

Offsetting Operators

BC Operating, Inc.
4000 N. Big Spring St, Suite 310
Midland, TX 79705

Occidental Permian LTD
5 Greenway Plaza
Houston, TX 77046

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

RKI Exploration & Production, LLC
210 Park Avenue, Suite 900
Oklahoma, City OK 73102



Date: July 19, 2016

Simple Certified:

The following is in response to your July 19, 2016 request for delivery information on your Signature Confirmation™ item number 9410810699945016551452. The delivery record shows that this item was delivered on July 18, 2016 at 11:19 am in ROSWELL, NM 88201 to P PECOS VALLEY ARTESIA. The scanned image of the recipient information is provided below.

Signature of Recipient :

A handwritten signature in black ink that reads "Wesley Needham".

Address of Recipient :

A handwritten address in black ink that reads "PO Box 1346".

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Pecos Valley Artesian Conservation Division
Pecos Valley Artesian Conservation Division
PO BOX 1346
Roswell, MN 88202
Cost of Service: \$8.6
Reference #: T Harrington Pecos Valley
Item ID: T Harrington Pecos Valley



Date: July 11, 2016

Simple Certified:

The following is in response to your July 11, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945016446396. The delivery record shows that this item was delivered on July 11, 2016 at 2:12 pm in CARLSBAD, NM 88220. The scanned image of the recipient information is provided below.

Signature of Recipient :

Address of Recipient :

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Bureau of Land Management
Bureau of Land Management
620 East Greene Street
Carlsbad, NM 88220
Reference # App to Inject

Tim Harrington

From: webmaster@simplecertifiedmail.com
Sent: Monday, July 11, 2016 5:00 PM
To: Tim Harrington
Subject: Document Delivered

A document with a tracking code of 9414810699945016446396 and reference number of App to Inject was successfully delivered to Bureau of Land Management at Bureau of Land Management.



Date: July 12, 2016

Simple Certified:

The following is in response to your July 12, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810899945016408547. The delivery record shows that this item was delivered on July 11, 2016 at 4:52 pm in MIDLAND, TX 79705. The scanned image of the recipient information is provided below.

Signature of Recipient :

Address of Recipient :

4000 N. Big Spring
#310

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

BC Operating, Inc
BC Operating, Inc
4000 N. Big Spring St
Suite 310
Midland, TX 79705

Tim Harrington

From: webmaster@simplecertifiedmail.com
Sent: Monday, July 11, 2016 5:00 PM
To: Tim Harrington
Subject: Document Delivered

A document with a tracking code of 9414810699945016408547 and reference number of was successfully delivered to BC Operating, Inc at BC Operating, Inc.



Date: July 12, 2016

Simple Certified:

The following is in response to your July 12, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945016410489. The delivery record shows that this item was delivered on July 11, 2016 at 6:39 am in HOUSTON, TX 77227. The scanned image of the recipient information is provided below.

Signature of Recipient :

Signature of Recipient: [Handwritten signature]
[Handwritten: G. Mendez]

Address of Recipient :

Address of Recipient: [Redacted]

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Occidental Permian LTD
Occidental Permian LTD
5 GREENWAY PLZ
HOUSTON, TX 77048

Tim Harrington

From: webmaster@simplecertifiedmail.com
Sent: Tuesday, July 12, 2016 11:11 PM
To: Tim Harrington
Subject: Document Delivered

A document with a tracking code of 9414810699945016410489 and reference number of was successfully delivered to Occidental Permian LTD at Occidental Permian LTD.

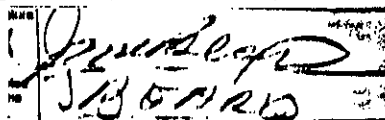


Date: July 12, 2016

Simple Certified:

The following is in response to your July 12, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945016410748. The delivery record shows that this item was delivered on July 12, 2016 at 6:06 am in HOUSTON, TX 77227. The scanned image of the recipient information is provided below.

Signature of Recipient :



Address of Recipient :



Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

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

Tim Harrington

From: webmaster@simplecertifiedmail.com
Sent: Tuesday, July 12, 2016 11:11 PM
To: Tim Harrington
Subject: Document Delivered

A document with a tracking code of 9414810699945016410748 and reference number of was successfully delivered to OXY USA WTP Limited Partnership at OXY USA WTP Limited Partnership.



Date: July 11, 2016

Simple Certified:

The following is in response to your July 11, 2016 request for delivery information on your Certified Mail™/RRE item number 9414810699945016410915. The delivery record shows that this item was delivered on July 11, 2016 at 1:51 pm in OKLAHOMA CITY, OK 73102. The scanned image of the recipient information is provided below.

Signature of Recipient :

Address of Recipient :

210 Park
900

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

RKI Exploration & Production, LLC
RKI Exploration & Production, LLC
210 Park Avenue
Suite 900
OKLAHOMA CITY, OK 73102

Tim Harrington

From: webmaster@simplecertifiedmail.com
Sent: Monday, July 11, 2016 5:00 PM
To: Tim Harrington
Subject: Document Delivered

A document with a tracking code of 9414810699945016410915 and reference number of was successfully delivered to RKI Exploration & Production, LLC at RKI Exploration & Production, LLC.

Friday, July 08, 2016
2:53 PM

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Erin CoatsSmith, being first duly
sworn, on oath says:

That she is the Publisher 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:

July 3 2016

That the cost of publication is \$78.82
and that payment thereof has been
made and will be assessed as court
costs.

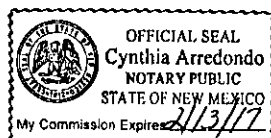
Subscribed and sworn to before me
this 11 day of July
2016

Cynthia Arredondo

My commission Expires

2/13/17

Notary Public



July 3, 2016

NOTICE

Mewbourne Oil Company has filed a form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval to sidetrack and deepen the Salt Draw 28 Federal #1 (30-015-26142) and complete as a salt water disposal well.

The Salt Draw 28 Federal SWD #1 is located, 1980' FNL and 660' FEL, Unit Letter H, Section 29, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. The well will dispose of water produced from nearby operated oil and gas wells into the Devonian, Fusselman & Montoya formations into an open-hole interval from a depth of 14,147 feet to 15,500 feet. Expected maximum injection rates are 25,000 BWPD at a maximum injection pressure of 2,829 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) 534-7547. The well is located approximately 6 miles south of Loving, New Mexico.

RECEIVED OOD

2016 JUL 11 P 2:20

Mewbourne Oil Company
Tim Harrington
P O Box 7698
TYLER TX 75711-7698

US POSTAGE AND FEES PAID

FIRST-CLASS

Jul 07 2016

Mailed from ZIP 75711

5 oz First-Class Mail Flats Rate

CID: 22827



endicla.com

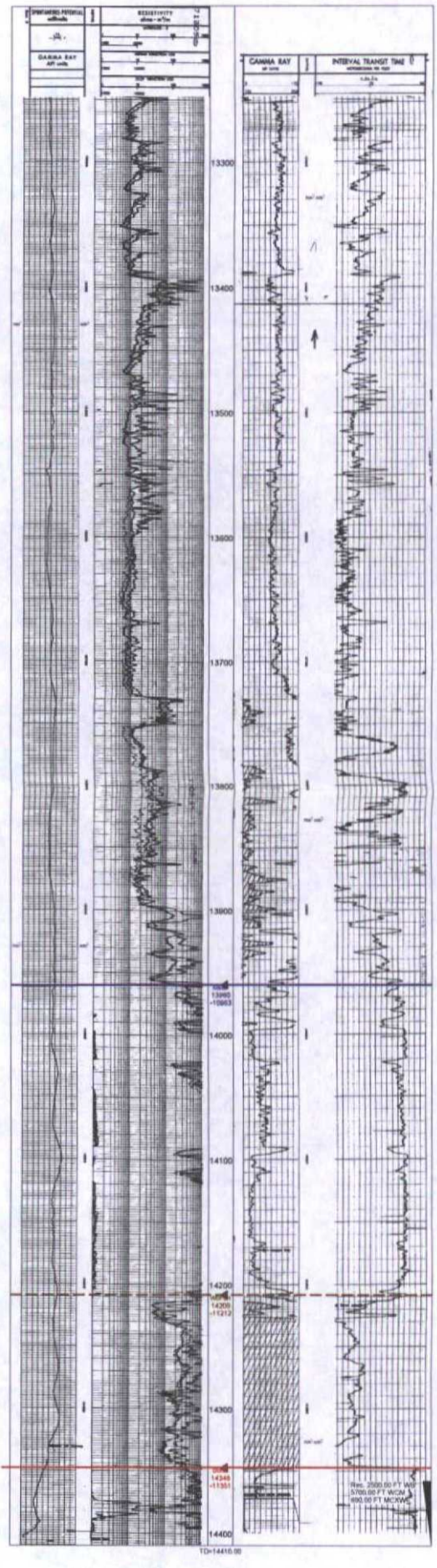
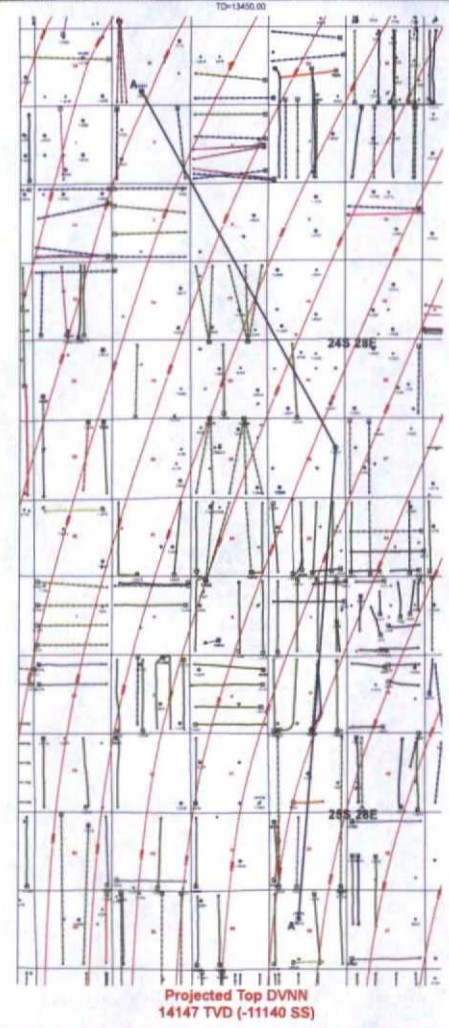
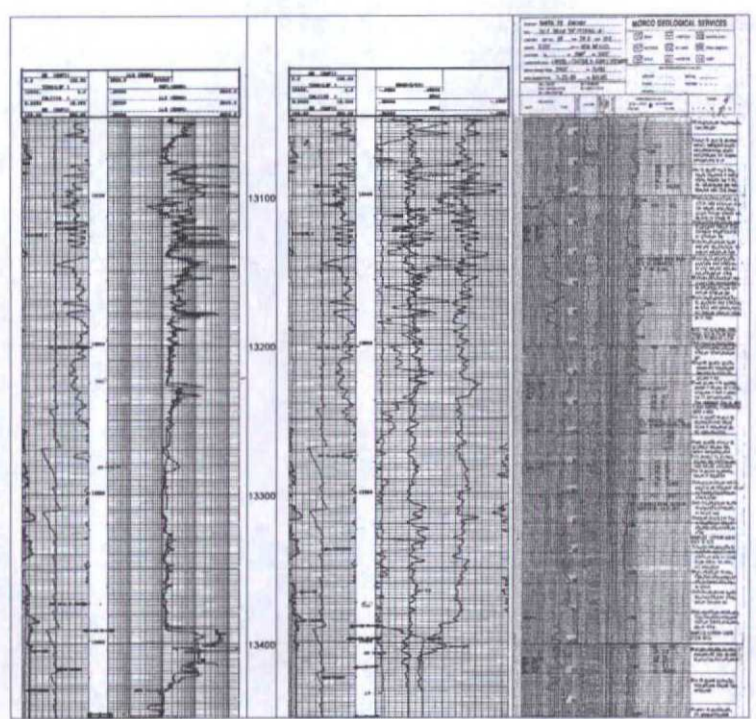
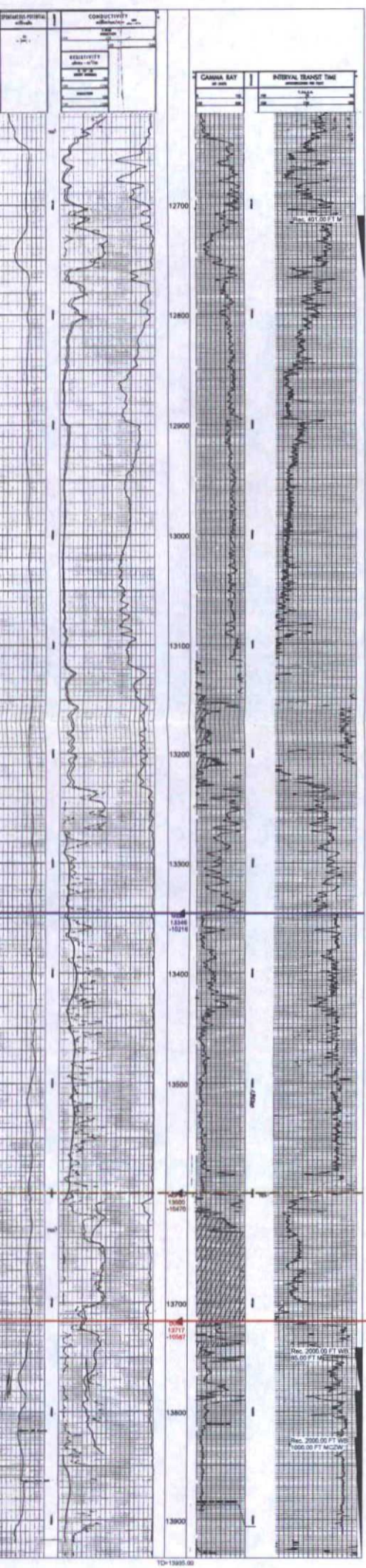
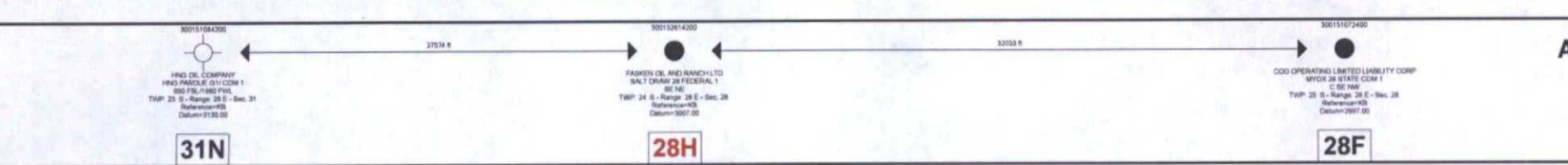
071S00534813

USPS CERTIFIED MAIL

9414 8106 9994 5016 4079 60

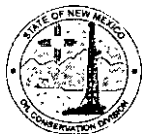
New Mexico Oil Conservation Division
New Mexico Oil Conservation Division
Engineering Bureau
1220 South St. Francis Dr.
SANTA FE NM 87505-4225





(163) 13,935 TD in 4 dolo, 6-1/8" hole. MWD. 12.7-60-2.6.
DOT #8 Dev 13,824-13,935. Tested by Mousse 3/4"x3/4" ch.
2 pkrs, 2000' WC, tool open 45 min, open w/ fair blow, cont
throughout test, rec in DP 2000' WC + 1000' D. Mud & Sulphur
wcr, SFP-0, BHP 1 1717, F 2660, 45 min FDSIP 5575, SH in
& out 8860, DST 232", 1 hr 1985IP 7892. Ran hit to bottom
cond hole 9 hrs, pulled bit. Schl ran BHC-GA-S-IES-Microlog &
Seismic reference log from 11,171-13,919 SH in 7 hrs, now GIL
w/ DP 06.

X-sec Salt Draw 28 Fed SWD #
DVNN A-A'



C-108 Review Checklist: Received 7/26/2016 Add. Request: 7/26/2016 Reply Date: _____ Suspended: _____ [Ver 15]

ORDER TYPE: WFX / PMX / SWD Number: 1637 Order Date: _____ Legacy Permits/Orders: _____

Well No. 1 Well Name(s): Salt Draw 28 Fed

API: 30-0 152642 Spud Date: 7-14-1989 New or Old: N (UIC Class II Primacy 03/07/1982)

Footages 1980 FNL 6WFE L Lot _____ or Unit H1 Sec 24 Tsp 245 Rge 28E County Eddy

General Location: 3 miles SW of Alamo Pool: _____ Pool No.: _____

BLM 100K Map: Chula Operator: Melbourne Oil Company OGRID: 14744 Contact: Tim Harrington

COMPLIANCE RULE 5.9: Total Wells: 14 Inactive: 3 Fincl Assur: dc Compl. Order? NA IS 5.9 OK? Y Date: 8-05-2016

WELL FILE REVIEWED ☐ Current Status: T/A

WELL DIAGRAMS: NEW: Proposed ☐ or RE-ENTER: Before Conv. ☐ After Conv. ☒ Logs in Imaging: CANDY SURVEILLANCE

Planned Rehab Work to Well: Set whipstock @ 8400'

Well Construction Details		Sizes (in) Borehole / Pipe	Setting Depths (ft)	Cement St or Cf	Cement Top and Determination Method
Planned ___ or Existing ___ Surface		<u>26 1/2"</u>	<u>600'</u>	<u>2405</u>	<u>SURFACE / VISUAL</u>
Planned ___ or Existing ___ Interm/Prod		<u>17 1/2" / 13 7/8"</u>	<u>2540</u>	<u>4028</u>	<u>SURFACE / VISUAL</u>
Planned ___ or Existing ___ Interm/Prod		<u>12 1/4" / 9 5/8"</u>	<u>9800</u>	<u>1575</u>	
Planned ___ or Existing ___ Prod/Liner		<u>8 3/4" / 7 7/8"</u>	<u>14175</u>	<u>14115</u>	<u>8000' / C-B-L</u>
Planned ___ or Existing ___ Liner					
Planned ___ or Existing ___ OH/PERF		<u>14 1/4" / 15500</u>		<u>1003'</u>	

Injection Lithostratigraphic Units:	Depths (ft)	Injection or Confining Units	Tops
Adjacent Unit: Litho. Struc. Por.		<u>MS</u>	<u>13796</u>
Confining Unit: Litho. Struc. Por.		<u>W</u>	<u>13998</u>
Proposed Inj Interval TOP:			<u>14147</u>
Proposed Inj Interval BOTTOM:			<u>14147</u>
Confining Unit: Litho. Struc. Por.			
Adjacent Unit: Litho. Struc. Por.			

Completion/Operation Details:	
Drilled TD <u>13335</u>	PBDT <u>8527</u>
NEW TD <u>15500</u>	NEW PBDT <u>—</u>
NEW Open Hole <input checked="" type="radio"/> or NEW Perfs <input type="radio"/>	
Tubing Size <u>4 1/2</u> in.	Inter Coated? <u>—</u>
Proposed Packer Depth <u>14155</u> ft	<u>14047</u>
Min. Packer Depth <u>14155</u> (100-ft limit)	
Proposed Max. Surface Press. <u>2829</u> psi	
Admin. Inj. Press. <u>2829</u> (0.2 psi per ft)	

AOR: Hydrologic and Geologic Information

POTASH: R-111-P _____ Noticed? ☐ BLM Sec Ord ☐ WIPP ☐ Noticed? ☐ Salt/Salado T 240 B: 250 NW: Cliff House fm _____

FRESH WATER: Aquifer _____ Max Depth _____ HYDRO AFFIRM STATEMENT By Qualified Person ☒

NMOSE Basin: Chula CAPITAN REEF: thru adj NA No. Wells within 1-Mile Radius? 0 FW Analysis 1

Disposal Fluid: Formation Source(s) Bone Springs, Wolfcamp Analysis? _____ On Lease ☐ Operator Only ☐ or Commercial ☐

Disposal Int: Inject Rate (Avg/Max BWPD): 104 / 125 Protectable Waters? _____ Source: _____ System: Closed or Open

HC Potential: Producing Interval? NA Formerly Producing? _____ Method: Logs/DST/P&A/Other X-section 2-Mile Radius Pool Map ☐

AOR Wells: 1/2-M Radius Map? Y Well List? _____ Total No. Wells Penetrating Interval: 0 Horizontals? _____

Penetrating Wells: No. Active Wells 0 Num Repairs? _____ on which well(s)? _____ Diagrams? _____

Penetrating Wells: No. P&A Wells _____ Num Repairs? _____ on which well(s)? _____ Diagrams? _____

NOTICE: Newspaper Date 7-13-2016 Mineral Owner BLM Surface Owner Antesiano N. Date 7-14-2016

RULE 26.7(A): Identified Tracts? _____ Affected Persons: BC, OXY, RKT N. Date 7-11-2016

Order Conditions: Issues: Run C-B-L Liner 14155-7750'

Add Order Cond: _____