

Well Name: MORGAN 25-13 FED COM	Well Location: T25S / R31E / SEC 25 / SWNW / 32.102253 / -103.736075	County or Parish/State: EDDY / NM
Well Number: 715H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMLC062300	Unit or CA Name:	Unit or CA Number:
US Well Number: 3001555639	Operator: DEVON ENERGY PRODUCTION COMPANY LP	

Subsequent Report

Sundry ID: 2890286

Type of Submission: Subsequent Report	Type of Action: Produced Water Disposal
Date Sundry Submitted: 01/12/2026	Time Sundry Submitted: 12:23
Date Operation Actually Began: 01/12/2026	

Actual Procedure: 1. Name(s) of formation(s) producing water on the lease: 3PURPLE SAGE/ (WOLFCAMP) GAS 2. Amount of water produced from all formations in barrels per day: 8529 3. What location is the water stored at until it is sent to disposal MORGAN 25 CTB 2 4. How many tanks for water storage 3 5. What size are the water storage tanks 750 6. How is water moved to disposal facility(trucked or piped) PIPED 7. Name of primary disposal facility where water is disposed of: NGL Paduca 6 SWD 1Y 8. Name of secondary disposal facility where water is disposed of: CDU 32 State SWD 2

SR Attachments

Actual Procedure

- Cotton_Draw_Combined_SWD_20260112122306.pdf
- Paduca_6_SWD_1Y_20260112122306.pdf

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County or Parish/State: EDDY / NM

Well Number: 715H

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMLC062300

Unit or CA Name:

Unit or CA Number:

US Well Number: 3001555639

Operator: DEVON ENERGY PRODUCTION COMPANY LP

Operator

I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: WINDELL SALTER

Signed on: JAN 12, 2026 12:22 PM

Name: DEVON ENERGY PRODUCTION COMPANY LP

Title: Agent

Street Address: 333 W SHERIDAN AVE

City: OKLAHOMA CITYState: OK

Phone: (405) 919-9461

Email address: WINDELL.SALTER@DVN.COM

Field

Representative Name:

Street Address:

City:State:Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: ALONDRA J VASQUEZ

BLM POC Title: Administrative Support Assistant

BLM POC Phone: 5752345907

BLM POC Email Address: AJVASQUEZ@BLM.GOV

Disposition: Accepted

Disposition Date: 01/14/2026

Signature: Alondra Vasquez

Form 3160-5
(October 2024)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0220
Expires: October 31, 2027

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

9. API Well No.

10. Field and Pool or Exploratory Area

11. Country or Parish, State

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
☐ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

3a. Address

3b. Phone No. (include area code)

4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off	
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity	
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other	
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon		
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal		

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 recompleate 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 perfonned 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 detennined that the site is ready for final inspection.)

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Title

Signature

Date

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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.

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.

(Instructions on page 2)

GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Additional Information

Location of Well

0. SHL: SWNW / 2284 FNL / 1275 FWL / TWSP: 25S / RANGE: 31E / SECTION: 25 / LAT: 32.102253 / LONG: -103.736075 (TVD: 0 feet, MD: 0 feet)
PPP: SWNW / 2540 FNL / 990 FWL / TWSP: 25S / RANGE: 31E / SECTION: 25 / LAT: 32.101549 / LONG: -103.736997 (TVD: 11645 feet, MD: 11690 feet)
PPP: SWSW / 181 FSL / 987 FWL / TWSP: 25S / RANGE: 31E / SECTION: 13 / LAT: 32.1235388 / LONG: -103.7369417 (TVD: 11923 feet, MD: 19800 feet)
PPP: SWNW / 2519 FNL / 989 FWL / TWSP: 25S / RANGE: 31E / SECTION: 24 / LAT: 32.116117 / LONG: -103.7369595 (TVD: 11934 feet, MD: 17100 feet)
PPP: SWSW / 160 FSL / 991 FWL / TWSP: 25S / RANGE: 31E / SECTION: 24 / LAT: 32.1089701 / LONG: -103.7369766 (TVD: 11945 feet, MD: 14500 feet)
BHL: NWNW / 20 FNL / 990 FWL / TWSP: 25S / RANGE: 31E / SECTION: 13 / LAT: 32.137508 / LONG: -103.736908 (TVD: 11902 feet, MD: 24882 feet)

CONFIDENTIAL

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-1459
January 31, 2014

**ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION**

Pursuant to the provisions of Division Rule 19.15.26.8B. NMAC, Devon Energy Production Company, LP (the "operator") seeks an administrative order for its proposed Cotton Draw 32 State SWD Well No. 2 with a location of 1180 feet from the South line and 1000 feet from the East line, Unit letter P of Section 32, Township 24 South, Range 32 East, NMPM, Lea 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, Devon Energy Production Company, LP (OGRID 6137), is hereby authorized to utilize its Cotton Draw 32 State SWD Well No. 2 (API 30-025-41524) with a location of 1180 feet from the South line and 1000 feet from the East line, Unit letter P of Section 32, Township 24 South, Range 32 East, NMPM, Lea County, for disposal of oil field produced water (UIC Class II only) into the interval from the top of the Devonian formation to **100 feet below the contact between the Ordovician Simpson group and the Ellenburger formation** through open hole from approximately 16992 feet to **approximately 19385 feet**. Injection will occur through internally-coated, 4 ½-inch 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 the well construction proposed and described in the application.

The operator shall supply the Division with a copy of a mudlog over the permitted disposal interval and an estimated insitu water salinity based on open-hole logs. If significant hydrocarbon shows occur while drilling, the operator shall notify the Division's

Administrative Order SWD-1459
Devon Energy Production Company LP
January 31, 2014
Page 2 of 3

district I and the operator shall be required to receive written permission prior to commencing disposal.

The operator shall also provide the following items to the Division's district I office prior to commencing disposal:

- 1. a copy of a cement bond log (CBL) or equivalent demonstrating the top of cement for the 7-inch casing; and**
- 2. a summary of depths (picks) for formation tops in the injection interval.**

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 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 3398 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 I office of the date and time of the installation of disposal equipment and of any MIT 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.

Administrative Order SWD-1459
Devon Energy Production Company LP
January 31, 2014
Page 3 of 3

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 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 – Hobbs District Office
State Land Office – Oil, Gas and Minerals Division



New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



Administrative Order SWD-1307
November 10, 2011

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of 19.15.26.8B NMAC, Devon Energy Production Company, L.P. seeks an administrative order to utilize its Cotton Draw Well No. 89 (API 30-015-31381) located 250 feet from the South line and 1980 feet from the East line, Unit letter O of Section 3, Township 25 South, Range 31 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, Devon Energy Production Company, L.P., is hereby authorized to utilize its Cotton Draw Well No. 89 (API 30-015-31381) located 250 feet from the South line and 1980 feet from the East line, Unit letter O of Section 3, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico, for disposal of oil field produced water (UIC Class II only) into the Devonian formation through an open hole interval from approximately 17100 to 17400 feet through lined tubing and a packer set less than 100 feet above the permitted disposal interval.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the disposed water enters only the proposed disposal interval and is not permitted to escape to other formations or onto the surface.

After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and



Administrative Order SWD-1307
Devon Energy Production Company, L.P.
November 10, 2011
Page 2 of 3

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 wellhead injection pressure on the well shall be limited to **no more than 3420 psi**. 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 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 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.

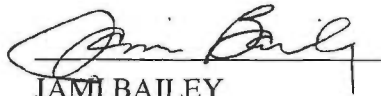
The division may revoke this injection permit after notice and hearing if the operator is in violation of 19.15.5.9 NMAC.

The disposal authority granted herein shall terminate two 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 request mailed by the operator prior to the termination date, may grant an extension thereof for good cause.

Administrative Order SWD-1307
Devon Energy Production Company, L.P.
November 10, 2011
Page 3 of 3

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/wvjj

cc: Oil Conservation Division – Artesia
Bureau of Land Management - Carlsbad

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Director
Oil Conservation Division



Administrative Order SWD-2224
August 1, 2019

**ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION**

Pursuant to the provisions of Division Rule 19.15.26.8(B) NMAC, NGL Permian Water Solutions, LLC (the "Operator") seeks an administrative order to authorize the Paduca 6 SWD Well No. 1Y with a surface location of 2650 feet from the South line and 1175 feet from the West line, Lot 3 of Section 6, and a bottom hole location of 2662 feet from the North line and 1327 feet from the West line, Lot 2 of Section 6, both in Township 26 South, Range 32 East, NMPM, Lea County, New Mexico, for commercial disposal of produced water.

This order was issued for approval of an increase in tubing diameter which allows for greater injection rate. This order supersedes administrative order SWD-1607-A issued on August 17, 2016. All of the original conditions of approval contained in order SWD-1607-A remain in effect.

THE DIVISION DIRECTOR FINDS THAT:

The application has been duly filed under the provisions of Division Rule 19.15.26.8(B) NMAC. The relocation of the proposed well does not change the notice of affected parties provided for the original application; therefore, no additional notice is required. The applicant has presented satisfactory evidence that all requirements prescribed in Rule 19.15.26.8 NMAC have been met and the operator is in compliance with Rule 19.15.5.9 NMAC.

IT IS THEREFORE ORDERED THAT:

The applicant, NGL Water Solutions Permian, LLC (OGRID 372338), is hereby authorized to utilize its Paduca 6 SWD Well No. 1Y (API 30-025-43379) a surface location of 2650 feet from the South line and 1175 feet from the West line, Lot 3 of Section 6, and a bottom hole location of 2662 feet from the North line and 1327 feet from the West line, Lot 2 of Section 6, both in Township 26 South, Range 32 East, NMPM, Lea County, for commercial disposal of oil field produced water (UIC Class II only) through an open-hole interval within Devonian and Silurian formations from 17310 feet to 18881 feet below surface. Injection shall occur through 5½-inch or smaller, internally-coated tubing within the 7¾-inch sidetracked (39 pound per foot) liner with a packer set a maximum of 100 feet above the top of the open-hole interval.

This permit does not allow disposal into the Ellenburger formation (lower Ordovician) or lost circulation intervals directly on top and obviously connected to this formation. The operator

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

Administrative Order SWD-2224
NGL Water Solutions Permian, LLC
August 1, 2019
Page 2 of 4

shall provide logs and a mudlog over the proposed interval which verify that only the permitted interval is completed for disposal.

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 the completion and construction of the well as proposed in the application and, if necessary, as modified by the District Supervisor.

Prior to commencing disposal, the operator shall submit to the Division's District geologist and Santa Fe Bureau Engineering office, evidence showing that only the permitted formation is open for disposal including a summary of depths (picks) for contacts of the formations which the Division shall use to amend this order for a final description of the depth for the injection interval.

Prior to commencing disposal, the operator shall supply the Division with a copy of a mudlog over the permitted disposal interval and an estimated insitu water salinity based on open-hole logs. If significant hydrocarbon shows occur while drilling, the operator shall notify the Division's District I and the operator shall be required to receive written permission to commence disposal.

The operator shall run a CBL (or equivalent) across the 7 $\frac{3}{8}$ -inch liner through both the 7 $\frac{3}{8}$ -inch liner and the 9 $\frac{5}{8}$ -inch casing to the surface to demonstrate a good cement bond between the liners and casing.

Within two years after commencing disposal, the operator shall conduct an injection survey, consisting of a temperature log or equivalent, over the entire injection interval using representative disposal rates. Copies of the survey results shall be provided to the Division's District I office and Santa Fe Engineering Bureau office.

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 procedures and schedules shall follow the requirements in Division Rule 19.15.26.11(A) NMAC. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in this well.

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 I 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.

Administrative Order SWD-2224
NGL Water Solutions Permian, LLC
August 1, 2019
Page 3 of 4

If the disposal well fails a MIT or if there is evidence that the mechanical integrity of said well is impacting correlative rights, the public health, any underground sources of fresh water, or the environment, the Division Director shall require the well to be shut-in within 24 hours of discovery and the operator shall redirect all disposal waters to another facility. The operator shall take the necessary actions to address the impacts resulting from the mechanical integrity issues in accordance with Division Rule 19.15.26.10 NMAC, and the well shall be tested pursuant to Rule 19.15.26.11 NMAC prior to returning to injection.

The wellhead injection pressure on the well shall be limited to **no more than 3462 psi**. 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 I office of the date and time of the installation of disposal equipment and of any MIT 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 I 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.

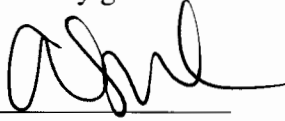
The Division may revoke this injection order after notice and hearing if the operator is in violation of Rule 19.15.5.9 NMAC.

The disposal authority granted herein shall terminate one (1) year 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 request mailed by the operator prior to the termination date, may grant an extension thereof for good cause.

Administrative Order SWD-2224
NGL Water Solutions Permian, LLC
August 1, 2019
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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.



ANDRIENNE SANDOVAL
Director

AS/prg

cc: Oil Conservation Division – Hobbs District Office
Well file 30-025-43379

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 543112

CONDITIONS

Operator: DEVON ENERGY PRODUCTION COMPANY, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	OGRID: 6137
	Action Number: 543112
	Action Type: [C-103] Sub. General Sundry (C-103Z)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	ACCEPTED FOR RECORD ONLY	1/16/2026