

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary

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

Jami Bailey
Division Director
Oil Conservation Division



Administrative Order IPI-413
April 25, 2012

Mewbourne Oil Company
PO Box 5270
Hobbs, NM 87505-5270

Attention: Mr. Joe B. Bryand

RE: Injection Pressure Increase Request
Delaware Ranch SWD Well No. 1 (30-015-22734)
Brushy Draw, North Delaware Pool (8085)
Eddy County, New Mexico

Reference is made to your request on behalf of Mewbourne Oil Company (OGRID 14744) received by the Division April 20, 2012, to increase the surface injection pressure limit on its Delaware Ranch SWD Well No. 1 (30-015-22734), for disposal of oil field produced water into the Brushy Draw, North Delaware Pool (8085) located in portions of Section 11, Township 26 South, Range 28 East, NMPM, Eddy County, New Mexico.

It is our understanding that this well will not take a sufficient volume of water at this pressure and additional pressures are needed to enable increased water disposal from Mewbourne's operations.

The basis for granting this pressure increase is the Cardinal Surveys step rate test run on April 16, 2012. Cardinal measured both surface and bottomhole pressures during this test.

Mewbourne Oil Company is hereby authorized to utilize the maximum surface injection pressures on the well shown below, provided the tubing, size, type and perforation depths do not change (SWD-1310-B). The packer shall be located within 100 feet of the top of the injection interval in the following-described well:



Well Name	Well #	API	Unit	Sec	Tsp	Rge	PSI
Delaware Ranch SWD	1	30-015-227-00-00	P	11	26S	28E	1500

This approval is subject to Mewbourne Oil Company being in compliance with all other Division rules, including but not limited to Division Rule 19.15.5.9 NMAC.

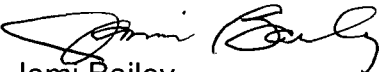
The Division Director may rescind this injection pressure increase if it becomes apparent that the injected fluid is not being confined to the injection zone or is endangering any fresh water aquifers, or is causing waste of oil and gas. Mewbourne Oil is prohibited from injecting at pressures that would induce fracturing in individual wells.

The operator is responsible for ensuring injected waters do not migrate upward inside or outside of this casing and enter formations above the permitted injection interval.

This approval is subject to your being in compliance with all other Division rules, including but not limited to Division Rule 19.15.5.9 NMAC.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into at least one of the subject wells, provided however, the Division, upon written request by the operator received prior to the one year deadline, may grant an extension thereof for good cause shown.

Sincerely,


Jami Bailey
Director

JB/tw

cc: Oil Conservation Division –Artesia