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STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION COMMISSION

2017 OCT 24 P 10:00

**APPLICATION OF MEWBOURNE OIL COMPANY TO REVOKE THE INJECTION
AUTHORITY GRANTED UNDER SWD-744 FOR THE WILLOW LAKE WELL NO. 1
OPERATED BY PYOTE WELL SERVICE, LLC, EDDY COUNTY, NEW MEXICO**

CASE NO. 15519 DE NOVO

**STATUS REPORT
AND
AGREED MOTION TO EXTEND STAY**

David Baker, Receiver for the benefit of Pyote Water Solutions LLC and Pyote SWD II LLC ("Receiver"), provides this status report pursuant to Order No. R-14300-B.

Injection operations through the salt water disposal well that is the subject of this proceeding continue to be suspended. The well and certain other assets are scheduled to be transferred to a new owner on October 20, 2017 pursuant to a sale approved by the U.S. District Court in Midland, Texas. The new owner is Permian Water Solutions, LLC, a single purpose entity formed by Chambers Energy Capital. Cambrian Management Ltd. will continue as operator. The new owner and the operator will evaluate recompleting the well for injection operations into the Devonian formation. The Receiver respectfully requests an extension of the current stay for an additional three months. An extension will further facilitate the transfer and the ultimate resolution of this matter.

Counsel for Mewbourne Oil Company, Oxy USA, Inc. and Kaiser-Francis Oil Company have been consulted and they do not oppose the request to extend the stay.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on the following counsel of record by electronic mail on October 24, 2017:

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