STATE OF NEW MEXICO 2018 JAN 25 P 3: 23 DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION COMMISSION

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

Permian Water Solutions, LLC ("Permian") provides this status report pursuant to Order No. R-14300-C.

In late 2017, Permian concluded its acquisition of the Willow Lake Com Well No. 1 SWD and related property from David Baker, the Receiver appointed by the U. S. District Court in Midland, Texas for the benefit of the previous operator, Pyote Water Solutions LLC and Pyote SWD II LLC (Pyote Well Service, LLC). The receivership is complete as to this property and the Receiver will be substituted in these proceedings by Permian Water Solutions LLC. Permian's designated operator for the well will continue to be Cambrian Management Ltd.

Injection operations through the Willow Lake Com Well No. 1 continue to be suspended. Permian and Cambridge Management have begun the process of evaluating the well for recompletion for injection operations into the Devonian formation. Permian and Cambridge are also taking all corrective actions necessary to bring the well into full regulatory compliance. Permian respectfully requests an extension of the current stay for an additional three months. An extension will facilitate Permian's repair work, the evaluation of the recompletion operation 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 January 25, 2018:

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