

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**Ken McQueen**  
Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

**Heather Riley, Division Director**  
Oil Conservation Division



May 16, 2018

Mr. Tim Harrington, Reservoir Engineer  
Mewbourne Oil Company  
P. O. Box 7698  
Tyler, TX 75711

**RE: Administrative Order SWD-1637; First Extension of Deadline to Commence Injection**

Salt Draw 28 Federal SWD Well No. 1 (API 30-015-26142)

Unit H, Sec 28, T24S, R28E, NMPM, Eddy County, New Mexico

Order Date: August 5, 2016

Injection into the Devonian and Silurian formations; permitted interval: approximately 14147 feet to 15800 feet

Dear Mr. Harrington:

Reference is made to your request on behalf of Mewbourne Oil Company (the "operator") to extend the deadline stipulated in order SWD-1637 based upon the approval date of August 5, 2016, to commence injection for the above referenced well for an additional one year for reasons outlined in the attached correspondence.

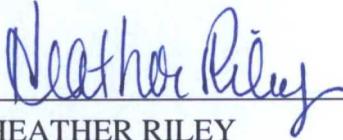
It is the Division's understanding from your request that there have been no significant changes in the information provided in the application submitted for review and approval of this order except for notification of affected person. A review for the completion of new wells within the Area of Review that penetrated the approved injection interval did not reveal any changes. One change in ownership required the notification of Marathon Oil Permian LLC with a copy of the application.

The Division finds that granting this request to extend this administrative order is in the interest of conservation, will prevent waste, and will protect the environment.

The deadline to commence injection for the existing order is hereby extended until August 5, 2019.

All requirements of the above referenced administrative order and agreements in the application remain in full force and effect.

Sincerely,



HEATHER RILEY  
Director

HR/prg

cc: Oil Conservation Division – Artesia District Office  
Bureau of Land Management – Carlsbad Field Office  
SWD-1637  
Well file 30-015-26142



**MEWBOURNE**  
OIL COMPANY

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April 26, 2018

New Mexico Oil Conservation Division  
Attn: Mr. Phillip Goetze  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

SUBJECT: Request for Permit Extension of SWD -1637  
Salt Draw 28 Federal SWD #1  
1980' FNL & 660' FEL, Unit H  
Section 28, Township 24 South, Range 28 East  
Eddy County, New Mexico

Dear Mr. Goetze:

The purpose of this letter is to request a one year permit extension for SWD-1637 that is scheduled to expire on 8/5/2018. Mewbourne Oil Company has significant oil and gas drilling activity planned in this area in the next year, and we would like to retain this permit in case the capacity of our current company operated salt water disposal system and commercial outlets are unable to service our water production demands. This extension will also give us more time to finalize our 8+ month SWD agreement negotiation with the surface owner.

Per your guidance, we have re-reviewed wells and operators within the ½ mile Area of Review (AOR).

**Wells within ½ Mile AOR**

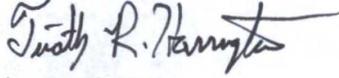
Attached is an updated tabulation of wells within the one-half mile radius area of review (AOR). Changes are minor as two wells have been drilled and completed, and a third well permitted. There are still no penetrations of the proposed disposal interval within the ½ mile radius AOR.

**Operators within ½ Mile AOR**

An offset operator review indicates that there was one operator change since our original application was submitted. Marathon Oil Permian LLC, Inc. now operates a former BC Operating / Nadel & Gussman well and a copy of the C-108 application packet was mailed to them (return receipt attached).

Please contact me if you have any questions or if you require additional information.

Very truly yours,



Tim Harrington

Reservoir Engineer

[tharrington@mewbourne.com](mailto:tharrington@mewbourne.com)

903-534-7647

**Revised Listing (4/24/2018) 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

**Revised Offsetting Operators**

Marathon Oil Permian LLC  
5555 San Felipe St.  
Houston, TX 77056

MEWBOURNE OIL COMPANY  
SALT DRAW 28 FEDERAL SWD #1  
C-108 APPLICATION - LISTING OF WELLS WITHIN 1/2 MILE RADIUS  
REVISED 4/23/2018

TOP OF PROPOSED  
DISPOSAL INTERVAL 14147

Well ID	API	Lease Name	Well Num	Operator Name	Current Operator	Location	Footage	Current Status	Final Status	IP Prod Form Name	TVD (FT)	Depth	Form at TD Name	Offset Age Penetrated Name	Prod Depth	Prod Form	Permit Date	Spud Date	Comp Date
V	3001335310000	DR. NEW 21PER FEDERAL	1	CCIDENTIAL PERMAN	CCIDENTIAL PERMAN	245 28E 21 NW SE SE	990 FSL 990 FTL CONGRESS SECTION	ACTIVE	GAS	MORROW	12921	12900	12921 MORROW LOWER	FENNSYLVANIAN MORROWAN	12900	MORROW	2004-04-21	2004-07-21	2004-10-25
H	3001341221000	STENT 21 FEDERAL COM	2H	CCIDENTIAL PERMAN LP	CCIDENTIAL PERMAN	245 28E 21 SE SW	50 FSL 2000 FTL CONGRESS SECTION	ACTIVE	OIL	BONE SPRING	8080	12749	12751 BONE SPRING	FENNSYLVANIAN LEONARDIAN	12749	BONE SPRING	2013-03-15	2013-12-01	2014-02-25
V	3001335320000	AMINOL FEDERAL	3	MADEL & GUISMAN	BC OPERATING INC	245 28E 22 SW SW	660 FSL 660 FTL CONGRESS SECTION	ACTIVE	GAS	MORROW	12950	12950	12950 MORROW	FENNSYLVANIAN MORROWAN	12900	MORROW	2006-07-17	2006-12-16	2006-03-14
H	3001342520000	NEED-STATE	3	BUNNEL ROBERT L	BUNNEL ROBERT L	245 28E 27	2280 FSL 1980 FTL CONGRESS SECTION	ACTIVE	OIL		2622	2622	2622 UNKNOWN	FENNSYLVANIAN MORROWAN	15150	WOIFCAMP	1956-11-09	1956-11-19	1957-01-30
H	3001342521000	ROCK SPUR 27 WYCA STATE COM	1H	MEWBOURNE OIL CO	MEWBOURNE OIL CO	245 28E 27	250 FSL 1650 FTL CONGRESS SECTION	LOCATION	PERMIT					FENNSYLVANIAN GUADALUPIAN	15150	WOIFCAMP	2015-07-09	1959-05-05	1959-05-15
V	3001325020000	TOUGHENTER	1	HANSON EX-DENSON SD	HANSON EX-DENSON SD	245 28E 27	1980 FSL 1980 FTL CONGRESS SECTION	ACTIVE	OIL	ATOKA	2651	2651	UNKNOW	FENNSYLVANIAN GUADALUPIAN	13500	MORROW	1959-04-25	1959-05-05	1959-05-15
V	3001325020000	STATE V 482	2	PROG PRODUCING CO	MEWBOURNE OIL CO	245 28E 27 NE NW	800 FSL 2300 FTL CONGRESS SECTION	ACTIVE	GAS	ATOKA	12980	13000	12980 MORROW	FENNSYLVANIAN MORROWAN	13000	MORROW	2002-10-08	2003-10-11	2003-03-15
V	3001327451000	HALAGA	1	COLLINS & WANE INC	RNI EXP & PROD LLC	245 28E 27 NE SW	1980 FSL 1350 FTL CONGRESS SECTION	ACTIVE	GAS	ATOKA	12095	12095	12095 ATOKA	FENNSYLVANIAN ATOKAN/BEND/POTTSVILLEAN	6300	BONE SPRING	1993-05-19	1993-05-29	1993-07-23
V	3001336890000	BAHAST 27	1	RNI EXP & PROD LLC	RNI EXP & PROD LLC	245 28E 27 NW NE SW	2480 FSL 1350 FTL CONGRESS SECTION	CANCELED	AB-LOC					FENNSYLVANIAN ATOKAN/BEND/POTTSVILLEAN	6300	BONE SPRING	2008-10-15	1997-08-30	1998-12-12
V	3001302208000	NEED	1	FREDERICK CI	FREDERICK CI	245 28E 28	1980 FSL 1980 FTL CONGRESS SECTION	ACTIVE	AB-LOC		2770	2883	2770 UNKNOWN	FENNSYLVANIAN GUADALUPIAN	13000	UNKNOW	1987-08-20	1987-08-30	1988-12-12
V	30013353401000	MOSSBERG FEDERAL	1	FREDERICK CI	FREDERICK CI	245 28E 28	1980 FSL 1980 FTL CONGRESS SECTION	ACTIVE	OIL		656	656	13000	FENNSYLVANIAN UNDIFFERENTIATED	13000	MORROW	1960-12-22	1961-01-01	1961-06-15
V	3001335350000	MOSSBERG FEDERAL	1Y	OXY USA WFTF LP	OXY USA WFTF LP	245 28E 28 NE SW SW	660 FSL 810 FTL CONGRESS SECTION	ACTIVE	GAS	ATOKA	12935	13000	12935 MORROW	FENNSYLVANIAN MORROWAN	13000	MORROW	2007-01-22	2007-05-28	2007-05-30
V	3001335350000	MOSSBERG FEDERAL	1Y	OXY USA WFTF LP	OXY USA WFTF LP	245 28E 28 NE SW SW	721 FSL 809 FTL CONGRESS SECTION	ACTIVE	GAS	ATOKA	12935	13000	12935 MORROW	FENNSYLVANIAN MORROWAN	13000	MORROW	2007-03-30	2007-08-31	2007-08-25
V	3001335350000	AMINOL FEDERAL	3	MADEL & GUISMAN	MAARATHON OIL PERMIAN LLC	245 28E 22 C SW SW	660 FSL 660 FTL CONGRESS SECTION	ACTIVE	GAS	MORROW	12950	12950	12950 MORROW	FENNSYLVANIAN MORROWAN	12900	MORROW	2006-07-17	2006-12-16	2006-03-14
H	3001344812000	ROCK SPUR 27 WYCA STATE COM	1H	MEWBOURNE OIL CO	MEWBOURNE OIL CO	245 28E 27 NE NW	250 FSL 1650 FTL CONGRESS SECTION	ACTIVE	GAS	WOIFCAMP	10624	15150	15400 WOIFCAMP	FENNSYLVANIAN WOIFCAMP	15150	WOIFCAMP	2015-07-09	3/26/2017	6/28/2017
H	3001344840000	ROCK SPUR 27 WYCA STATE COM	2H	MEWBOURNE OIL CO	MEWBOURNE OIL CO	245 28E 27 NE NW	250 FSL 1598 FTL CONGRESS SECTION	ACTIVE	GAS	WOIFCAMP	9581	14375	14380 WOIFCAMP	FENNSYLVANIAN WOIFCAMP	14375	WOIFCAMP	4/17/2017	5/6/2017	6/28/2017
H	3001345840000	ROCK SPUR 27 BDM FED COM	1H	MEWBOURNE OIL CO	MEWBOURNE OIL CO	245 28E 27 NW NW	185 FSL 330 FTL CONGRESS SECTION	LOCATION	PERMIT		8180 EST	12807		FENNSYLVANIAN MORROWAN	12807	BONE SPRING	10/18/2016		

OPERATOR CHANGE

# Shipment Receipt

Transaction Date: 25 Apr 2018

Tracking Number:

1ZF698E80195918451

## ① ADDRESS INFORMATION

**Ship To:**

Marathon Oil Permian, LLC  
5555 San Felipe St  
HOUSTON TX 770562701

**Ship From:**

Mewbourne Oil Company  
Kim Ripka  
3901 South Broadway  
TYLER TX 75701  
Telephone:903-561-2900  
email:rmcdaniel@mewbourne.com

**Return Address:**

Mewbourne Oil Company  
Kim Ripka  
3901 South Broadway  
TYLER TX 75701  
Telephone:903-561-2900  
email:rmcdaniel@mewbourne.com

Tracking: UPS

Page 1 of 1

# Proof of Delivery

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Dear Customer,

This notice serves as proof of delivery for the shipment listed below.

<b>Tracking Number:</b>	1ZF698E80195918451
<b>Service:</b>	UPS Next Day Air®
<b>Shipped/Billed On:</b>	25/04/2018
<b>Delivered On:</b>	26/04/2018 10:24
<b>Delivered To:</b>	HOUSTON, TX, US
<b>Received By:</b>	VARGAS
<b>Left At:</b>	Mail room

Thank you for giving us this opportunity to serve you.

Sincerely,

UPS

Tracking results provided by UPS: 26/04/2018 11:36 ET