

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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.

5. Lease Serial No.
NMNM56541

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
Dorado 34 DA Fed Com #1H2. Name of Operator
Mewbourne Oil Company9. API Well No.
30-015-413943a. Address
PO Box 5270 Hobbs, NM 882413b. Phone No. (include area code)
575-393-590510. Field and Pool or Exploratory Area
Bone Spring

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

405' FNL & 321' FWL, Sec 34, T18S, R30E

11. Country or Parish, State
Eddy, County NM

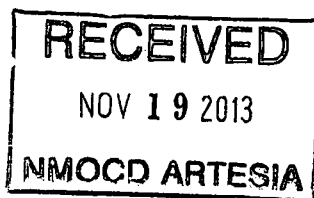
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input checked="" type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> 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 performed 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 recompleation 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 determined that the site is ready for final inspection.)

See attached water disposal as per Onshore Order #7 & site facility diagram as per Onshore Order #3. Also interim reclamation is complete.

ORD 11/9/13
Accepted for record
N/A/BCE



SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)
Antonio Martinez

Title Production Engineer

Signature

Date

10/18/13

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

SEPS

Date

11-17-13

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

CPO

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)

WATER PRODUCTION & DISPOSAL INFORMATION

In order to process your disposal request, the following information must be completed:

1. Name of formations producing water on the lease. Bone Springs
2. Amount of water produced from all formations in barrels per day. 700 BPD
3. Attach a current water analysis of produced water from all zones showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates. (One sample will suffice if water is commingled.)
4. How water is stored on lease. 2-500 bbl Fiberglass tanks
5. How water is moved to the disposal facility. Trucking
6. Identify the Disposal Facility by:
 - A. Facility Operators name. Judah Oil, LLC
 - B. Name of facility or well name and number. Jamocal Fed #1
 - C. Type of facility or well (WDW) (WIW) etc. WDW
 - D. Location by 1/4 1/4 NENE Section 29 Township 17S Range 31E
7. Attach a copy of the State issued permit for the Disposal Facility.

Submit to this office, 620 EAST GREENE ST, CARLSBAD NM, 88220, the above required information on a Sundry Notice 3160-5. Submit 1 original and 3 copies, within abatement period. (This form may be used as an attachment to the Sundry Notice.)



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Jim Noel
Cabinet Secretary

Karen W. Garcia
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Administrative Order SWD-1249
October 22, 2010

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Rule 26.8B., Judah Oil, LLC seeks an administrative order to re-enter and utilize the Oxy Jamoca Federal Well No. 1 (API 30-015-32265) located 900 feet from the North line and 660 feet from the East line, Unit Letter A of Section 29, Township 17 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 Division Rule 26.8B. Satisfactory information has been provided that affected parties as defined in Rule 26.8B.(2) 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 Rule 26.8 will be met and the operator is in compliance with Division Rule 5.9.

IT IS THEREFORE ORDERED THAT:

The applicant, Judah Oil, LLC, is hereby authorized to re-enter and utilize the Oxy Jamoca Federal Well No. 1 (API 30-015-32265) located 900 feet from the North line and 660 feet from the East line, Unit Letter A of Section 29, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico, for disposal of oil field produced water (UIC Class II only) through perforations into the Wolfcamp formation from 8890 to 9685, and through lined tubing and a packer set within 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 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 wellhead injection pressure on the well shall be limited to **no more than 1778 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 mechanical integrity 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 26.13 and 7.24.

Without limitation on the duties of the operator as provided in Division Rules 30 and 29, 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.

In accordance with Division Rule No 26.12.C., the disposal authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request, mailed by the operator prior to the termination date, may grant an extension thereof for good cause. One year after disposal into the well has ceased, the authority to dispose will terminate *ipso facto*.

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.


MARK E. FESMIRE, P.E.
Acting Director

MEF/wvjj

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



Water Analysis

Date: 10 Oct-13

2708 West County Road, Hobbs NM 88240
Phone (575) 392-5556 Fax (575) 392-7307

Analyzed For

Client	Well Name	Location	State
Mewbourns Oil & Gas	Dorado 34/D4	Fed. 1H	Lea
			New Mexico

Sample Source Swab Sample Sample # 1

Formation Depth

Specific Gravity	1.175	SG @ 60 °F	1.17
pH	6.69	Sulfides	Absent
Temperature (°F)	70	Reducing Agents	

Cations

Sodium (Calc)	In Mg/L	79,528	In PPM	67,567
Calcium	In Mg/L	6,000	In PPM	5,198
Magnesium	In Mg/L	1,920	In PPM	1,631
Soluble Iron (FE2)	In Mg/L	0.2	In PPM)

Anions

Chlorides	In Mg/L	138,000	In PPM	111,247
Sulfates	In Mg/L	350	In PPM	297
Bicarbonates	In Mg/L	63	In PPM	54
Total Hardness (as CaCO3)	In Mg/L	23,000	In PPM	19,541
Total Dissolved Solids (Calc)	In Mg/L	225,860	In PPM	191,895
Equivalent NaCl Concentration	In Mg/L	193,083	In PPM	161,047

Scaling Tendencies

*Calcium Carbonate Index 380,140

Below 500,000 Remote / 500,000 - 1,000,000 Possible / Above 1,000,000 Probable

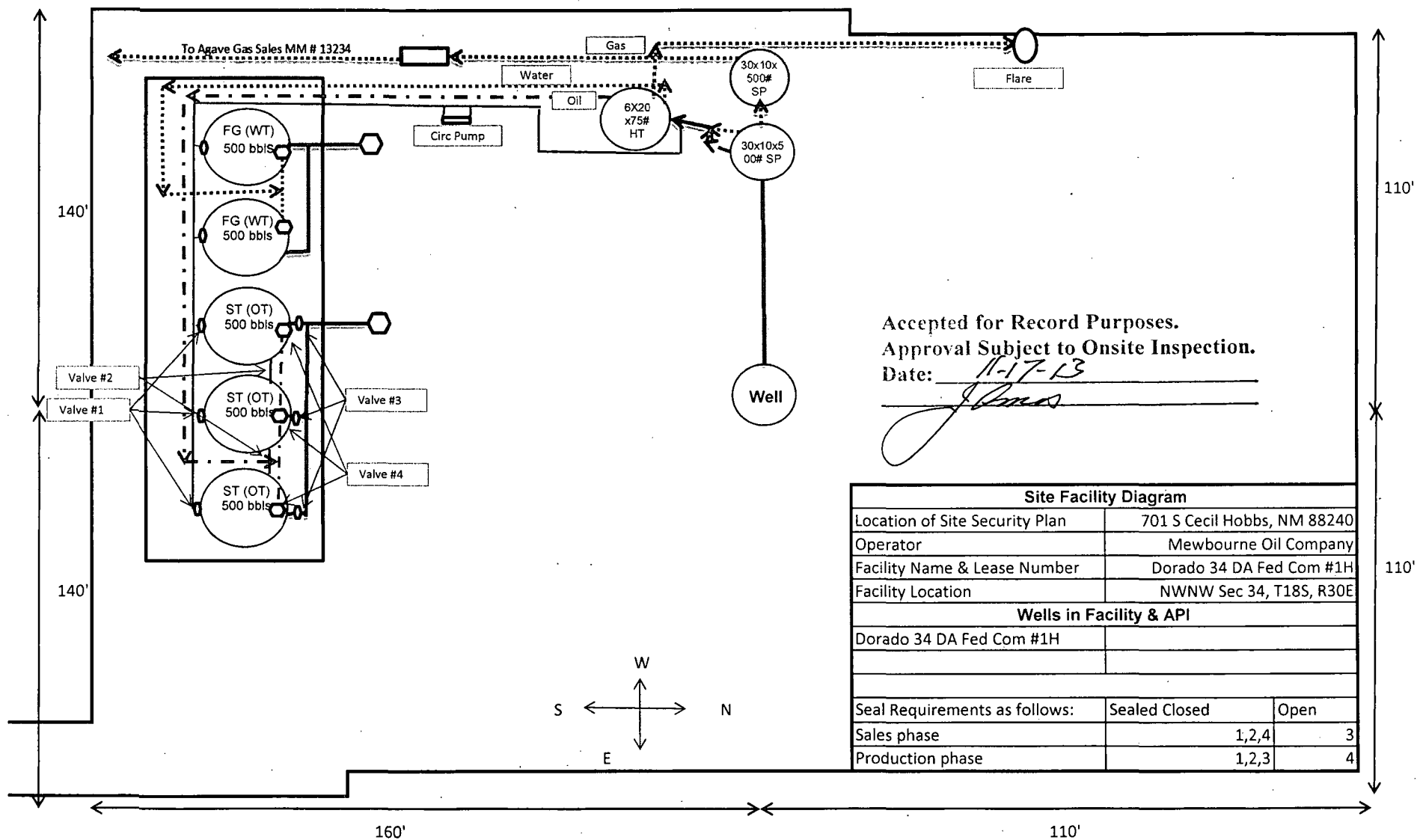
*Calcium Sulfate (Gyp) Index 2,100,100

Below 500,000 Remote / 500,000 - 10,000,000 Possible / Above 10,000,000 Probable

*This Calculation is only an approximation and is only valid before treatment of a well or several weeks after treatment.

Remarks rww.047@70f

Report # 3257



**BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Disposal of Produced Water From Federal Wells
Conditions of Approval**

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
6. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
7. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
8. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.

9/22/09