

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised July 18, 2013

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-043-21065
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other SWD		5. Indicate Type of Lease Federal <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator HPOC, LLC		6. State Oil & Gas Lease No. NMNM9905 Federal Property No.: 96162 SWD Order SWD-1189-A
3. Address of Operator 2656 Bridgeway, Suite B, Sausalito, CA 94965		7. Lease Name or Unit Agreement Name Eagle Springs
4. Well Location Unit Letter D : 460' feet from the North line and 350 feet from the West line Section 9 Township 19N Range 4W NMPM County Sandoval		8. Well Number 9 Federal 1 SWD
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6681 GR		9. OGRID Number 246238
		10. Pool name or Wildcat Arena Blanca Entrada Southeast (96899)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: Resume disposal of produced water in SWD well <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

HPOC seeks to resume the Entrada production of Eagle Springs wells and needs to dispose of produced Entrada formation water into the Entrada formation at the Eagle Springs 9 Federal 1 SWD. HPOC requests permission from the Division to allow the use of the Eagle Springs 9 Federal 1 for a disposal well as part of a 60-day injectivity test. HPOC is currently reconfiguring its SWD facility and seeks to initiate injection upon completion of its current work and upon receipt of permission from the Division. Meanwhile, HPOC shall submit a new C-108 form.

OIL CONS. DIV DIST. 3

DEC 18 2017

Spud Date:

NA

Rig Release Date:

NA

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

TITLE

Manager

DATE December 15, 2017

Type or print name Richard Mrlik

E-mail address: rmrlik@intertie.com

PHONE: 415-740-4513

For State Use Only

APPROVED BY: See Email approval from Director attached

TITLE

DATE

Conditions of Approval (if any):

AV

Richard Mrlik

From: Catanach, David, EMNRD <David.Catanach@state.nm.us>
Sent: Monday, December 4, 2017 10:31 AM
To: rmrlik@intertie.com
Cc: Goetze, Phillip, EMNRD; Sanchez, Daniel J., EMNRD; Marks, Allison, EMNRD; Kuehling, Monica, EMNRD
Subject: Order SWD-1189-A; Eagle Springs 9 Federal Well No. 1

Mr. Mrlik:

Sorry for the delay in responding to your e-mails and phone call. We have been working internally to arrive at a solution to your situation.

I have completed a discussion with staff regarding the expired injection authority for the referenced well. In light of HPOC's effort to resume the Entrada production of the Eagle Springs wells, the Division shall allow the use of the disposal well as part of a **60-day injectivity test**. HPOC will be required to file a notice of intent (Form C-103) with the District III office requesting authority to do so, and receive approval prior to commencing injection. The District will be advised of this allowance.

During the 60-day period, HPOC will be responsible for submitting a new Form C-108 (Application for Authorization to Inject) for the permanent re-instatement of the authority to inject. Please contact the Engineering Bureau staff (Phillip Goetze or Mike McMillan) with any questions on the application process. The injection authorization will expire at the end of the 60-days if no C-108 application has been filed, or if there are regulatory problems associated with re-instating the permit.

Thank You,

David R. Catanach
OCD Director
(505) 476-3468

OIL CONS. DIV DIST. 3

DEC 18 2017

