

State of New Mexico
Energy, Minerals and Natural Resources Department

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David R. Catanach, Division Director
Oil Conservation Division



Administrative Order SWD-1520
January 14, 2015

**ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION**

Pursuant to the provisions of Division Rule 19.15.26.8B, NMAC, OWL SWD Operating, LLC (the "operator") seeks an administrative order for its proposed Mills Ranch SWD Well No. 1 with a proposed location 970 feet from the North line and 206 feet from the East line, Unit letter A of Section 7, Township 23 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 19.15.26.8B, NMAC and satisfactory information has been provided that affected parties as defined in said rule have been notified. The applicant has presented satisfactory evidence that all requirements prescribed in Rule 19.15.26.8 NMAC have been met and the operator is in compliance with Rule 19.15.5.9 NMAC.

IT IS THEREFORE ORDERED THAT:

The applicant, OWL SWD Operating, LLC (OGRID 308339) is hereby authorized to utilize its proposed Mills Ranch SWD Well No. 1 (API No. 30-015-41590) with a proposed location 970 feet from the North line and 206 feet from the East line, Unit letter A of Section 7, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico, for disposal of oil field produced water (UIC Class II only) through an open hole interval within Devonian aged rocks from approximately 15400 feet to approximately 17000 feet. Injection shall occur through internally-coated tubing and a packer set a maximum of 100 feet above the top of the open-hole interval.

This permit is limited to Devonian aged rocks as the application stated. The operator shall submit mudlog and electric log information to the Division showing evidence agreeable with Division geologists that only the Devonian formation is open for disposal and no formations below or above the Devonian are open.

On each casing in this well design, the operator shall circulate cement, pressure test, and then run a cement bond log from bottom to top. Each of these bond logs shall be supplied to the Division.