State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary **David R. Catanach, Division Director** Oil Conservation Division



June 7, 2017

Ms. Melanie Wilson, Regulatory Analyst Mesquite SWD, Inc. P. O. Box 1479 Carlsbad, NM 88220

RE: Administrative Order SWD-1558; First Extension of Deadline to Commence Injection

Station SWD Well No. 1

(API 30-025-43473)

UL F, Sec 7, T24S, R32E, NMPM, Lea County, New Mexico

Order Date: June 26, 2015

Injection into the Devonian and Silurian formations; permitted interval: approximately

16470 feet to approximately 17975 feet

Dear Ms. Wilson:

Reference is made to your request on behalf of Mesquite SWD, Inc. (the "operator") to extend the June 26, 2015 deadline stipulated in order SWD-1558 to commence injection operations 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. These changes include the completion of new wells within the Area of Review that penetrated the approved injection interval and any changes in ownership.

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.

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

SWD-1558: Extension of Deadline

Mesquite SWD, Inc.

June 7, 2017

Page 2 of 2

The deadline to commence injection for the existing order is hereby extended until June 26, 2018.

Sincerely,

DAVID R. CATANACH

Director

DRC/prg

cc: Oil Conservation Division – Artesia District Office

Burau of Land Management - Carlsbad Field Office

Well File API 30-025-43473

SWD-1558