

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



August 20, 2018

Mr. Eddy Seay, Agent for Grama Ridge Disposal, LLC
Eddy Seay Consulting
601 West Illinois
Hobbs, NM 88242

RE: Administrative Order SWD-1643; First Extension of Deadline to Commence Injection

Packer 18 State Well No. 1 (API 30-025-35108)
Unit A, Sec 18, T21S, R35E, NMPM, Lea County, New Mexico
Order Date: August 8, 2016

Injection into the Bell Canyon and Cherry Canyon formations; permitted interval: 5750 feet to 6290 feet

Dear Mr. Seay:

Reference is made to your request on behalf of Grama Ridge Disposal, LLC. (the "operator") to extend the deadline stipulated in order SWD-1643 based upon the approval date of August 8, 2016, to commence injection for the above referenced well for an additional six months for reasons outlined in the attached correspondence.

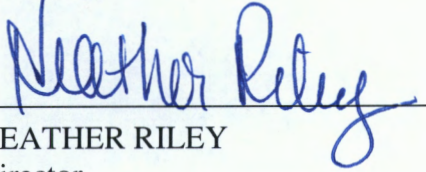
It is the Division's understanding from your request that there have been no significant changes in the information provided in the application submitted for review and approval of this order. These changes include the completion of new wells within the Area of Review that penetrated the approved injection 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.

The deadline to commence injection for the existing order is hereby extended until February 8, 2019. All requirements of the above referenced administrative order and agreements in the application

remain in full force and effect. Any additional extension of the deadline to commence injection for this administrative order will not be considered unless the operator has commenced re-entry of the referenced well. Otherwise, the injection authority shall expire under the terms of the extended administrative order and the operator shall be required to submit a new application to obtain injection authority for the referenced well.

Sincerely,

A handwritten signature in blue ink, reading "Heather Riley", is written over a light green rectangular background. The signature is fluid and cursive.

HEATHER RILEY
Director

HR/prg

cc: Oil Conservation Division – Hobbs District Office
SWD-1643
Well file 30-025-35108
State Land Office – Oil, Gas and Minerals Division

June 21, 2018

NMOCD Engineering
ATTN: Will Jones
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Grama Ridge Disposal, LLC
Packer 18 St. #1
API 30-025-35108
SWD-1643
Request for Extension to Inject

Mr. Jones:

Hope all is well. As agent for Grama Ridge, I am requesting an extension to its earlier approval permit. The permit SWD-1643 runs out in August, and my client does not want to lose it, this Delaware well may never be approved again.

Grama Ridge has been working to obtain right-of-way and leases from the State Land Office and now it is difficult to get equipment due to the surge in operations in the oil and gas fields recently.

Grama Ridge would appreciate and is requesting an extension of (180 days) six months to complete the conversion.

I have made a review of the AOR and no new wells have been completed.

I appreciate your consideration to my request and look forward to hearing from you.

Thanks again,



Eddie W. Seay
Eddie Seay Consulting
601 W. Illinois
Hobbs, NM 88242
575-392-2236
seay04@leaco.net

cc: Grama Ridge Disposal, LLC