

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
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Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Director
Oil Conservation Division



May 7, 2021

Ray Westall Operating, Inc. (OGRID 119305)
c/o Ben Stone
E-mail contact: ben@sosconsulting.com

RE: Administrative Order SWD-1582; Second Extension of Deadline to Inject
Well: DHY State B Well No. 1 (API 30-015-21971)
Located: Unit L, Sec 11, T19S, R28E, NMPM, Eddy County, New Mexico
Order Date: September 23, 2015
Injection formations: Cisco and Canyon formation; 9,600 feet to 9,950 feet

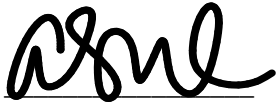
Dear Mr. Stone:

Reference is made to your August 22, 2018 request on behalf of Ray Westall Operating, Inc., (the "operator") to extend the deadline stipulated in the above titled order to commence injection for the above referenced well for reasons outlined in your correspondence. The deadline date to commence injection under said order was one year after issuance of the order: September 23, 2017. However, the Oil Conservation Division (OCD) formally approved the operator's first extension request submitted August 1, 2017, which contained the required information and was submitted prior to the original deadline. Therefore, the OCD shall recognize the first extension request providing a current deadline date of September 23, 2018.

It is the OCD's understanding from your correspondence that since the date of issuance of this permit, no additional wells that penetrate the approved injection interval were drilled in the one-mile Area of Review (AOR). Additionally, two new affected parties have been identified in the AOR and noticed of the extension request. Therefore, the extension request could be reviewed administratively for approval.

The OCD finds that for reasons you have stated, the granting of this request to extend this administrative order is in the interest of conservation, will prevent waste, and will protect the environment. Therefore, the deadline to commence injection for the existing order is hereby extended until September 23, 2022.

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 already commenced drilling 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.



ADRIENNE SANDOVAL
Director

AS/bl

cc: New Mexico State Land Office – Oil, Gas, and Minerals
Oil Conservation Division - Artesia District Office
Order SWD-1582