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RECEIVED OCD

2016 MAR -1 P 3: 55

March 1, 2016

Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Case 15463

Dear Florene:

Enclosed for filing, on behalf of Mesquite SWD, Inc., are an application for approval of a salt water disposal well, together with a proposed advertisement. Please set this matter for the March 31, 2016 Examiner hearing. Thank you.

Very truly yours,


James Bruce

Attorney for Mesquite SWD, Inc.

Persons Notified of Hearing

Minerals Owner:

Bureau of Land Management
620 E. Greene St.
Carlsbad, NM 87220

Operators:

Chevron USA, Inc
15 Smith Road
Midland, TX 79705

COG Operating, LLC
One Concho Center
600 W. Illinois Ave
Midland, TX 79701

EOG Resources
P.O. Box 2267
Midland, TX 79702

Surface Owner:

Billie Fortner & Mary Hale
1033 Park Center St.
Benbrook, TX 76126-2501
(Also see P. 15)

All Sec. 17

All Sec. 18

Units A-C, F-H Sec. 19
Units C-E, Sec. 20

Additional
Surface Owners:

William H. And Shirley A. Roach
818 S. San Jose
Abilene, TX 79605
5.555%

Sharon Smith
842 Comanche Trail
Abilene, TX 79501
2.777%

Diane Scott Hunsaker
6539 Gerald Ave
Van Nuys, CA 91406-5702
2.777%

Jo Anne Krall
605 E. 18th Street
San Angelo, TX 76903-3920
1.166%

Beverly June Cook
7953 Cedel Dr
Houston, TX 77055
1.666%

James A. Butler
814 25th Street
Odessa, TX 79763
5.500%

Annette Davidson
P.O. Box 729
Odessa, TX 79760
5.550%

Merry Ann Byrd
P.O. Box 562
Buffalo Gap, TX 79508-0562
2.777%

John M. Scott
6501 Eastridge Rd, Apt J6
Odessa, TX 79762-5227
2.777%

Don E Fortner, for Billie M. Fortner
5321 S. Southfork Ave
Odessa, TX 79766-9009
4.167%

Jerry W. Mize
70 Montgomery Tr
Marquez, TX 75833
1.666%

Cloma Perkins Heirs
c/o David Perkins
3104 Traylor Blvd
Rockport, TX 79382-6848
1.666%

Linda Duralia
911 W. 26th Street
Odessa, TX 79763
5.550%

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

RECEIVED OCD

2016 MAR -1 P 3:55

APPLICATION OF MESQUITE SWD, INC. FOR
APPROVAL OF A SALT WATER DISPOSAL
WELL, LEA COUNTY, NEW MEXICO.

Case No. 15463

APPLICATION

Mesquite SWD, Inc. applies for an order approving a salt water disposal well, and in support thereof, states:

1. Applicant proposes to drill its proposed Lobo SWD Well No. 1, to be located 651 feet from the south line and 2506 feet from the east line of Section 18, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico.
2. Applicant proposes to dispose of produced water into the Cherry Canyon Member of the Delaware Mountain Group at depths of 6390-7660 feet subsurface.
3. A Form C-108 for the subject well is attached hereto as Attachment A.
4. The granting of this application will prevent waste and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order approving this application.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Mesquite SWD, Inc.

Case 15463

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance _____ ☒ Disposal _____ Storage

Application qualifies for administrative approval? _____ ☒ Yes _____ No

II. OPERATOR: Mesquite SWD, Inc

ADDRESS: P.O. Box 1478 Carlsbad, NM 88220

CONTACT PARTY: Kay Havenor PHONE: 575-626-4518

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____ Yes _____ ☒ No
If yes, give the Division order number authorizing the project: _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

Attachment

A

*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Kay Havenor TITLE: Agent

SIGNATURE: Kay C Havenor DATE: Dec 28, 2015

E-MAIL ADDRESS: KHavenor@georesources.com

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

Side 1

INJECTION WELL DATA SHEET

OPERATOR: Mesquite SWD, Inc. (OGRID 161968)

WELL NAME & NUMBER: Lobo SWD #1 30-025- New drill

WELL LOCATION: 651' FSL & 2506' FEL O 18 24S 34E
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGE

WELLBORE SCHEMATIC

PROPOSED WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 26" Casing Size: 20" 94#

Cemented with: 1100 sx. or ft³

Top of Cement: Surface Method Determined: Opr

Intermediate Casing

Hole Size: 17-1/2" Casing Size: 13-3/8" 68#

Cemented with: 3150 sx or ft³ sx

Top of Cement: Surface Method Determined: Opr

Intermediate (2) Casing

Hole Size: 12-1/4" Casing Size: 9-5/8" 47#

Cemented with: 3170 sx. or ft³

Top of Cement: Surface Method Determined: Opr

Total Depth: Approx 7,810'

Injection Interval

Approximately 6,390' To Approximately 7,660'

(Perforated or Open Hole; indicate which) Perforated

INJECTION WELL DATA SHEET

Tubing Size: 7" N-80 20/23/36# Material: Fiberglass coated

Type of Packer: Lok-Set or equivalent

Packer Setting Depth: Approx 6.260 ft

Other Type of Tubing/Casing Seal (if applicable):

Additional Data

1. Is this a new well drilled for injection? X Yes No

If no, for what purpose was the well originally drilled? _____

2. Name of the Injection Formation: Delaware Cherry Canyon

3. Name of Field or Pool (if applicable):

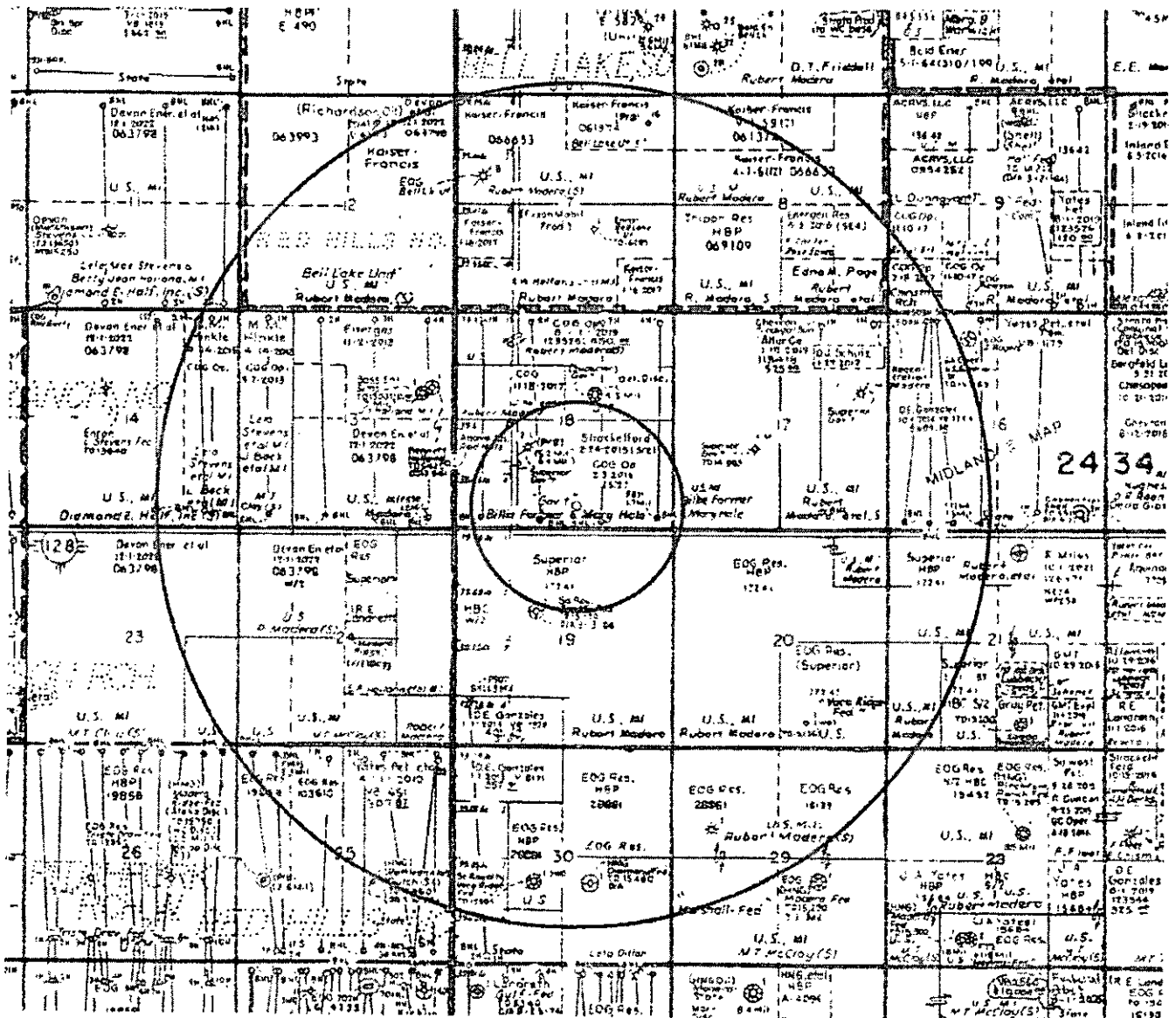
4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. _____

- 5 Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Bone Springs estimated 9005'

Mesquite SWD, Inc.
 Lobo SWD #1
 651' FSL & 2506' FEL
 Sec. 18, T24S-R34E Lea County, NM

API 30-025-unassigned

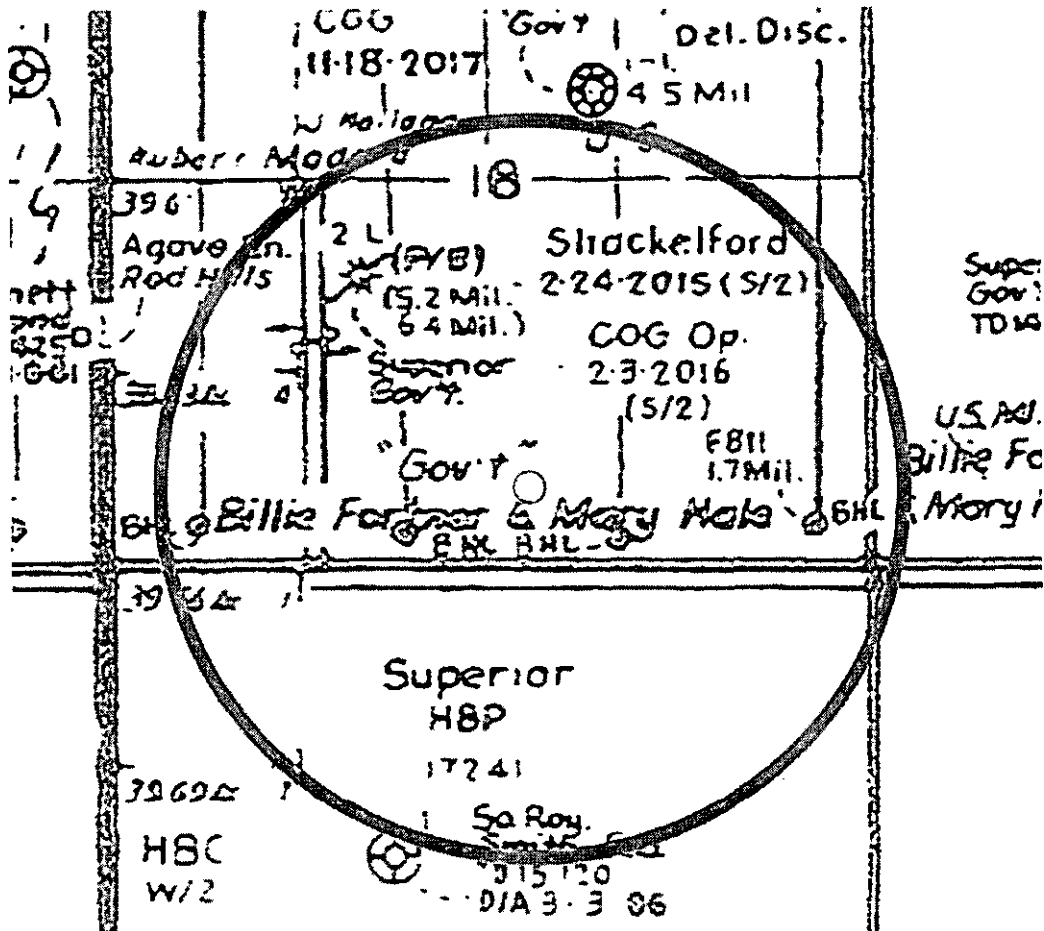
Area of Review
 2-Mile Radius



Mesquite SWD, Inc.
Lobo SWD #1
651' FSL & 2506' FEL
Sec. 18, T24S-R34E Lea County, NM

API 30-025-unassigned

Area of Review
1/2-Mile AOR



Mesquite SWD, Inc.
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 651' FSL & 2506' FEL
 Sec. 18, T24S-R34E Lea County, NM

API 30-025-unassigned

Item VI: Data on wells in AOR:

API	WELL NAME	STATUS	SD-V	SEC	TWN	RANGE	FTG	NS	FTG	EW	OXD	OPERATOR	WELL LAND	PLUG DATE	SPUD	ELEV GL	TVD DEPTH
3002541689	SEBASTIAN FEDERAL COM #4H	Drilled or	A	18	24	08	34E	190' N	1770' E	A	COG OPERATING LLC	F	D		02-Apr-14	3581	10577
3002541688	SEBASTIAN FEDERAL COM #3H	Drilled or	B	18	24	08	34E	190' N	1770' E	B	COG OPERATING LLC	F	D		03-Aug-14	3582	11015
3002541666	SEBASTIAN FEDERAL COM #2H	Drilled or	C	18	24	08	34E	190' N	1830' W	C	COG OPERATING LLC	F	D		14-Feb-15	3592	10927
3002541687	SEBASTIAN FEDERAL COM #1H	Drilled or	I	18	24	08	34E	190' N	660' W	D	COG OPERATING LLC	F	D		31-Feb-15	3595	10944
3002526369	GOVERNMENT L COM #2	Plugged	K	18	24	08	34E	1980' S	1800' W	K	ENR RESOURCES INC	P	G	09-Oct-97	13-Sep-79	3573	14636

1. 30-025-41689 COG Operating, LLC, Sebastian Federal Com #4H. 190' FNL & 330' FEL, Unit A, Sec. 18, T24S-R34E, Lea Co, Elev 3518' GL. Spud 7/2/2014. 17½" hole set 13⅝" 54.5# @1398' w/1000 sx cmt. Circ 238 sx. 12¼" hole set 5175' 9⅝" 40# J-55 @5171' w/1550 sx cmt, circ 197 sxs to surf. 8¾" hole to 12150'. Cmt plug 11150-12150'. Tagged 11150'. Set plug 11150-10550' w/240 sx cmt. Set cmt plug 10000-10550' w/270 sx, tagged 9948'. DO to 10213' (KOP). TD 7⅞" lateral @ 15256'. Ran 5½" 17# P-110 to 15356'. Cmt w/3100sx cmt. Perf Bone Springs. Acid & frac. On production.

2. 30-025-41688 COG Operating, LLC, Sebastian Federal Com #3H. 190' FNL & 1,770' FEL Unit B, Sec. 18, T24S-R34E, Lea Co, Elev 3583' GL. Spud 8/13/2014. 17½" hole set 13⅝" 54.5# @ 1375' w/1050 sx cmt. Circ. 12¼" hole set 9⅝" 40# @5,169' 1,450 sx cmt, circ to surface. 7⅞" hole set 5½" P-110 lateral and vertical (TVD 9,998') and circ cmt to surface. Also reported TOC 1,430' (inside 9⅝"). Perf Bone Springs. Acid & frac. On production.

3. 30-025-41666 COG Operating, LLC, Sebastian Federal Com #2H. 190' FNL & 1830' FWL, Unit C, Sec. 18, T24S-R34E, Lea Co, Elev 3892' GL. Spud 2/24/2015. 17½" hole set 13⅝" 54.5# J-55 @1,393' w/950 sx cmt, circ 208 sx cmt to surface. 12¼" hole set 9⅝" 40# J-55 @ 5,190' w/1,450 sx cmt, circ 227 sxs to surface. 8¾" hole set 5½" 17# P-110 vertical & lateral TVD 9,998' w/cmt to surface on 2 stage. Perf Bone Springs. Acid & frac. On production.

4. 30-025-41687 COG Operating, LLC, Sebastian Federal Com #1H. 190' FNL & 660' FWL, Unit I, Sec 18, T24S-R34E, Lea Co, Elev 3599' GL. Spud 2/1/2014. 17½" hole set 13⅝" 54.5# @1390' w/1650 sx cmt, circ 331 sx to surface. 12¼" hole set 9⅝" 40# J-55 @ 5,209' w/1,650 sx cmt, circ 200 sxs to surface. 8¾" hole set 5½" 17# P-110 vertical & lateral TVD 10,307'. DV @6,719'. 2,550 sx cmt, circ 103 sxs to surface. Perf Bone Springs. Acid & frac. On production.

5. 30-025-26369 Enron Oil & Gas Company, Government L Com #2, 1980' FSL & 1800' FWL, Unit K, Sec. 18, T24S-R34E, Lea Co, Elev 3573' GL. Spud 9/15/1979. 17½" hole set 13⅝" 48# @ 608' w/575 sx cmt, circ. 12¼" hole set 10⅝" 55.5/60.7# @ 5,500' w/175 sx cmt, Opr est TOC 600'. 9⅞" hole set 7⅞" 33.7/26.4# @ 12,800' w/630 sx cmt. TOC 10,800'. 6½" hole set 5½" 23# liner 12,500-14,108' w/270 sx cmt. TOC 12,491'. 4½" hole set 3½" liner 10.3# @14,696'-13,781' w/56 sx cmt. PB TD 14,576. Perf 14,401'-14,446' w/18 holes. P&A 25 sx cmt 13,000', tagged @13,100'. Cut & pulled 7,834' of 7⅞". 70 sx plug 12,909'. Set 50 sx plug across 7,834' cut. 60 sx 5,450'-5,550'. Cut 10¼" @2,373'. spotted 75 sx cmt in stub, tagged @ 2,420'. 100 sx cmt 1,765' -1,150'. 75 sx cmt 650' -550'. Re-spotted 75 sx cmt 650' - 550', tagged @ 652'. 10 sx cmt @ surface. P&A 10/8/1990. Agave Energy Company failed attempt to re-enter for SWD and re-plugged 2535'-2310' (320 sx), 1300'-1063' (290sx), 650'-525' (120 sx) and 224' to surface (160 sx) as approved by NMOCC 7/15/2012. P&A 11/16/2012.

Mesquite SWD, Inc.
 Lobo SWD #1
 651' FSL & 2506' FEL
 Sec. 18, T24S-R34E Lea County, NM

API 30-025-unassigned

Item VII:

1. The maximum injected anticipated is 30,000 BWPD. Average anticipated 20,000 BWPD.
2. Injection will be through a closed system.
3. Maximum injection pressure is expected to be 1,278 psi, or as controlled by depth.
4. Sources will be produced water that is compatible with known waters in the disposal zones.
5. Water sample analyses from the OXY Cotton Draw Unit No. 4, Unit D, Sec. 22, T25S-R32E, Lea Co., is shown below, TDS 276,839 mg/l (Source: NM WAIDS):



Water Samples for Well COTTON DRAW UNIT 004

API = 3002508221

Formation = DEL

Field = PADUCA

Current Water Production Information

Instructions:

- Click For general information about this sample.
- Click For scale calculation pages (Stiff-Davis or Odco-Tomson methods).
- Click To select this water sample for water mixing. It will lead to the main page, and add the sample ID to the mixing table.
- Click Click the hyperlinked sample number to make a csv for that sample, or select several check boxes and click Submit for multiple samples.
- The ions are in (mg/L) units

	Sample ID	T	R	S	SO4	CL	CO3	HCO3	K	Na	Ca	Mg
<input type="checkbox"/>	4293	25S	32E	22	552	170500	null	198	null	null	null	null

Before disposal the interval will be evaluated to confirm the projected absence of commercial hydrocarbons.

Mesquite SWD, Inc.
Lobo SWD #1
651' FSL & 2506' FEL
Sec. 18, T24S-R34E Lea County, NM

API 30-025-unassigned

Item VIII:

Disposal will be into the Cherry Canyon Formation of the Delaware Mountain Group. It is comprised of sandstones, carbonates, and shales. The Cherry Canyon in this greater area is noted for its absence of commercial O/G and the abundance of essentially non-transmissive carbonates and shale/silt layers - as in the entire Delaware Mountain Group. All the Delaware members are interbedded sandstones and shales with occasional carbonate horizons. In the Cherry Canyon, limestone predominates over dolomite. The lateral transmissivity of the sandstone beds is highly variable and often form lateral barriers to the movement of water while allowing some down-gradient movement. The transmissivity variations are fundamentally due to the very-fine grained nature of the carbonates and the local percentage of silt and clay. The Cherry Canyon is limestone rather than dolomite. The overall Delaware sandstones are over- and underlain repeatedly by bounding shales, dense carbonates, and/or silty-shale/carbonate horizons. The porous zones are always bound by over and underlying extremely low transmissivity layers. The depths to the Delaware Ramsey/Ford/Olds (Bell Canyon, low porosity and water wet) sands in this well are 5,290'-5,360'. The base of the Delaware (top of Bone Springs Formation) is 8,899'.

There is no known fresh, potable or stock water within a 2-mile radius. Records from the New Mexico Office of the State Engineer on 12/19/2015 show no known water wells within the greater area of the proposed Mesquite SWD disposal well.



New Mexico Office of the State Engineer
Active & Inactive Points of Diversion
(with Well Drill Dates & Depths)

No PODs found

POD Search:

POD Basin: Lea County

PLSS Search:

Section(s): 7-21

Township: 24S

Range: 34E

The data is furnished by the NMOS/ISC and is accepted by the recipient with the expressed understanding that the OS/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, timeliness, reliability, or suitability for any purpose of the data. The OS/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, timeliness, reliability, or suitability for any purpose of the data.

Page 1 of 1

ACTIVE & INACTIVE POINTS OF DIVERSION

The surface geology of the greater area, including the 2-mile radius as shown in Item V above, is Quaternary eolian and piedmont deposits of Holocene to middle Pleistocene age. These are underlain by the Permian Rustler Formation and evaporites. Based upon surface geology and local shallow e-logs the depth to potential potable water, if present, is estimated to be less than 150'.

Mesquite SWD, Inc.
Lobo SWD #1
651' FSL & 2506' FEL
Sec. 18, T24S-R34E Lea County, NM

API 30-025-unassigned

Item IX:

No formation stimulation is currently planned.

Item X:

Gama/Density/Neutron and Restivity logs are planned.

Item XI:

No water wells are reported in the 2-mile radius of the proposed SWD. Please note Item VIII discussion above.

Item XII:

There is no geological evidence of open faults or hydrologic connection between the disposal zone and any possible underground sources of protected water.

Amendment:

Drilling/evaluation of the Delaware intervals in the greater area around the proposed location has demonstrated a lack of reasonable potential for commercial hydrocarbon production by horizontal or conventional vertical drilling beneath the Ramsey member of the Bell Canyon Formation or through the Cherry Canyon Formation. The proposed interval has been without significant hydrocarbon shows in the disposal target formations above.

Mesquite SWD, Inc.
 Lobo SWD #1
 651' FSL & 2506' FEL
 Sec. 18, T24S-R34E Lea County, NM

API 30-025-unassigned

EOG Resources, Inc Government L Com

P&A DIAGRAM

API: 3002528369
 Operator: EOG Resources, Inc
 Lease: Government L Com
 Location: Sec 7, T24S-R32E Lea Co., NM
 Footage: 1980 FSL, 1800 FWL

Well No: 2

KB: 3599
 GL: 3573

Original Csg Program

Surface Csg

Size: 13-3/8" 48# J55
 Set @: 608
 Sxs cmt: 575
 Circ: Yes
 TOC: Surf
 Hole Size: 17-1/2"

Intermediate Csg

Size: 10-3/8" 55.5/60.7#
 Set @: 5,500
 Sxs cmt: 1275
 Circ: Oprest 600'
 TOC: Surf
 Hole Size: 12-1/4"

Intermediate-2 Csg

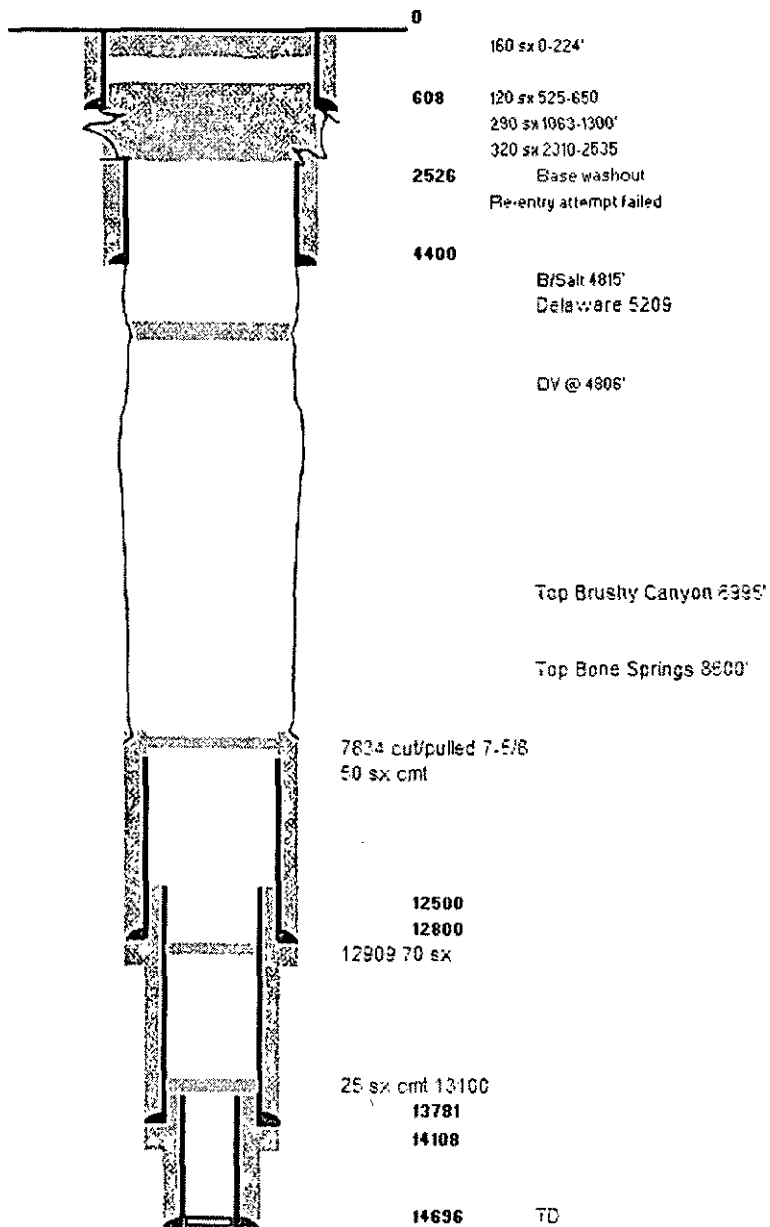
Size: 7-5/8" 33.3/26.4#
 Set @: 12800
 Sxs cmt: 630
 Circ: Opr TOC 10600
 Hole Size: 9-7/8"

Liner - 1

Size: 5-1/2" 23#
 Set @: 12500-14108
 Sxs cmt: 270
 Circ: TOC 12491
 Hole Size: 6-1/2"

Liner - 2

Size: 3-1/2" 10.3#
 Set @: 13781-14696
 Sxs cmt: 56
 Circ: Circ liner
 Hole Size: 4-1/4"



Not to Scale

Mesquite SWD, Inc.
 Lobo SWD #1
 651' FSL & 2506' FEL
 Sec. 18, T24S-R34E Lea County, NM

API 30-025-unassigned

Proposed Lobo SWD #1

COMPLETION WELL DIAGRAM

API: 30-025-xxxx
 Operator: Mesquite SWD, Inc
 Lease: Lobo SWD
 Location: Sec 18, T24S-R34E Lea Co., NM
 Footage: 651' FSL & 2506' FEL

Well No: 1

KB: Est 3586
 GL: 3566

New drill date:

MSL of TD: -4224

Surface Csg

Size: 20" 94# K-55
 Set @: 1380
 Sxs cmt: 700
 Circ: Yes
 TOC: Surface
 Hole Size: 26"

Intermediate Csg

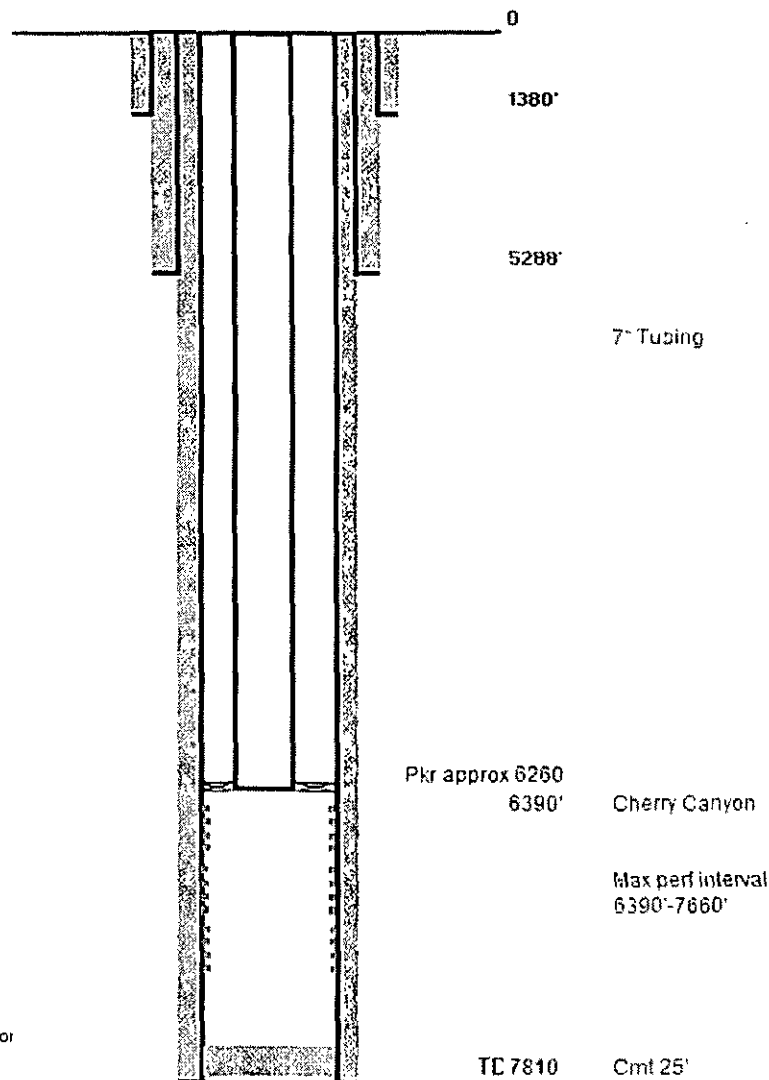
Size: 13-3/8" 68#
 Set @: 5288
 Sxs cmt: 3150
 Circ: Yes
 TOC: Surface
 Hole Size: 17-1/2"

Production Csg

Size: 9-5/8" 47#
 Set @: 12600
 Sxs cmt: 1200
 Circ: No
 TOC: NR
 Hole Size: 12-1/4"

Tubular requirements (made-up):
 6400' 7" N80 23# tubing IPC 1810 coated
 Lok-Set Packer set approx 6400'

Stimulate selectively in cased hole
 Load 7" tubing annulus w/corrosion inhibitor
 Complete surface head for disposal



NOT TO SCALE

Estimated Tops: Rustler 1295', base salt 4850', Delaware Group 5250', Cherry Canyon 6390', Bone Springs 9050'

Mesquite SWD, Inc.
Lobo SWD #1
651' FSL & 2506' FEL
Sec. 18, T24S-R34E Lea County, NM

API 30-025-unassigned



Delorme XMap6
North side of NM 128 approx 19.5 miles NW of Jal, NM.

Mesquite SWD, Inc.
Lobo SWD #1
651' FSL & 2506' FEL
Sec. 18, T24S-R34E Lea County, NM

API 30-025-unassigned

Item XIII: Proof of Notice

Minerals Owner:

Bureau of Land Management
620 E. Greene St.
Carlsbad, NM 87220

Surface Owner:

Billie Fortner & Mary Hale
1033 Park Center St.
Benbrook, TX 76126-2501
(Also see P. 15)

Operators:

Chevron USA, Inc
15 Smith Road
Midland, TX 79705

All Sec. 17

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One Concho Center
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All Sec. 18

EOG Resources
P.O. Box 2267
Midland, TX 79702

Units A-C, F-H Sec. 19
Units C-E, Sec. 20

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651' FSL & 2506' FEL
Sec. 18, T24S-R34E Lea County, NM

API 30-025-unassigned

Item XIII: Proof of Notice

Surface Owners:

The Fee surface ownership was subdivided into multiple interests that are not recorded in the Lea County Assessor's Office. The single party address (P. 14 above) is from the Assessor's records. The following is believed to be the surface ownership percentages rounded to 3 decimals

William H. And Shirley A. Roach
818 S. San Jose
Abilene, TX 79605
5.555%

Merry Ann Byrd
P.O. Box 562
Buffalo Gap, TX 79508-0562
2.777%

Sharon Smith
842 Comanche Trail
Abilene, TX 79501
2.777%

John M. Scott
6501 Eastridge Rd, Apt J6
Odessa, TX 79762-5227
2.777%

Diane Scott Hunsaker
6539 Gerald Ave
Van Nuys, CA 91406-5702
2.777%

Don E Fortner, for Billie M. Fortner
5321 S. Southfork Ave
Odessa, TX 79766-9009
4.167%

Jo Anne Krall
605 E. 18th Street
San Angelo, TX 76903-3920
1.166%

Jerry W. Mize
70 Montgomery Tr
Marquez, TX 75833
1.666%

Beverly June Cook
7953 Cedel Dr
Houston, TX 77055
1.666%

Cloma Perkins Heirs
c/o David Perkins
3104 Traylor Blvd
Rockport, TX 79382-6848
1.666%

James A. Butler
814 25th Street
Odessa, TX 79763
5.500%

Linda Duralia
911 W. 26th Street
Odessa, TX 79763
5.550%

Annette Davidson
P.O. Box 729
Odessa, TX 79760
5.550%

PROPOSED ADVERTISEMENT

Case No. 15463:

Application of Mesquite SWD, Inc. for approval of a salt water disposal well, Lea County, New Mexico. Applicant seeks an order approving disposal of produced water into the Cherry Canyon Member of the Delaware Mountain Group at depths of 6390-7660 feet subsurface in the proposed Lobo SWD Well No. 1, to be located 651 feet from the south line and 2506 feet from the east line of Section 18, Township 24 South, Range 34 East, NMPM. The well is located approximately 19-1/2 miles west-northwest of Jal, New Mexico.

RECEIVED OCD
2016 MAR - 1 P 3:55