

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF MESQUITE SWD, INC.
TO AMEND ADMINISTRATIVE ORDER
SWD-1696 FOR A SALT WATER DISPOSAL
WELL IN EDDY COUNTY, NEW MEXICO.**

CASE NO. 16308

APPLICATION

Mesquite SWD, Inc. ("Mesquite"), OGRID No. 161968, through its undersigned attorneys, hereby makes this application to the Oil Conservation Division pursuant to the provisions of N.M. Stat. Ann. § 70-2-12, for an order amending the size of tubing approved by the Division in administrative order SWD-1696. An amendment is being requested to increase the diameter of the approved injection tubing to allow for the use of 7 inch tubing inside the surface and intermediate casings and 5 ½ inch tubing inside the liner. In support of this application, Mesquite states as follows:

1. Mesquite is the operator of the Mesa Verde SWD Well No. 3 Salt Water Disposal Well (API 30-015-44676). On October 20, 2017, the Oil Conservation Division authorized Mesquite through Administrative Order SWD-1696 to use the Mesa Verde SWD Well No. 3 for disposal of oil field produced water through an open-hole interval within the Devonian and Silurian formations from 16620 feet to 17820 feet.

2. The order issued by the Division approving injection operations into the well states that injection will occur through "either an internally-coated, 5-1/2-inch or smaller tubing inside the surface and intermediate casings, and a 4-1/2-inch or smaller tubing inside the liner."

SWD-1696, p. 1.

4. Mesquite seeks an amendment to this order, allowing it to use 7 inch tubing inside the surface and intermediate casings and 5 ½ inch tubing inside the liner.

5. Mesquite further seeks to increase injection rates to a maximum of 40,000 bbls per day.

6. The Mesa Verde SWD Well No. 3 well is located 1030 feet from the South line and 2635 feet from the West line, Unit N of Section 13, Township 24 South, Range 31 East, NMPM, Eddy County, New Mexico.

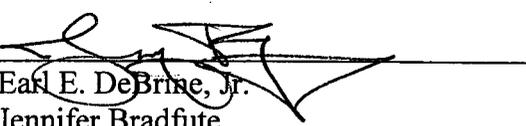
7. The granting of this application will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Mesquite requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 12, 2018; and that after notice and hearing, the Division enter its order approving this application to amend Administrative Order SWD-1696 to increase the diameter of the injection tubing in the Mesa Verde SWD Well No. 3 to allow for the use of 7 inch tubing inside the surface and intermediate casings and 5 ½ inch tubing inside the liner and to increase the injection rates for the well.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: _____


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CASE NO. _____: Application of Mesquite SWD, Inc. to Amend Administrative Order SWD-1696 for a Salt Water Disposal Well in Eddy County, New Mexico. Applicant seeks an order from the Division amending Administrative Order SWD-1696 to permit an increase in the diameter of the injection tubing in its Mesa Verde SWD Well No. 3 to allow for the use of 7 inch tubing inside the surface and intermediate casings and 5 ½ inch tubing inside the liner and to increase the injection rates for the well. The subject well is located in Unit N of Section 13, Township 24 South, Range 31 East, NMPM, Eddy County, New Mexico. Said well is located approximately 30 miles east of Carlsbad, New Mexico.