

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

IN THE MATTER OF MESQUITE SWD, INC'S MOTION FOR CLARIFICATION OF
ORDER NO. R-13043

ORDER OF THE DIVISION

BY THE DIVISION

This request for clarification of Order No. 13043 came on for review on November 17, 2008, by the Oil Conservation Division ("Division").

NOW, on this 18th day of November 2008, the Division Director, having reviewed the request of Mesquite SWD, Inc. ("Mesquite"),

FINDS THAT:

(1) Mesquite requested that produced water be injected into the Exxon State Well No 8, under vacuum through 2-7/8 inch plastic coated tubing set in a packer at 550 feet; **Hearing Transcript p. 22, L 24-25, and p. 23 L 1-6, and p. 51 L 14-18.** This request resulted in Ordering Paragraph No. 3 of Order No. R-13043.

(2) There are two Magnolia State Well No. 3 submitted by Mesquite as part of the Area of review (AOR) wells penetrating the injection interval of the Exxon State Well No. 8. A review of these area of review wells indicates that the first Magnolia State Well No. 3 API No. 30-015-01087 was not plugged at all. [**Mesquite Exhibit 33, Appendix B, Page 23**]. In fact, the caption on this page indicated "**No Record of Plugging Hole**" The other Magnolia State Well No. 3 API No. 30-015-01095 had only 8 sacks of cement plug at total depth and therefore was not required to be plugged. [**Mesquite Exhibit 33, Appendix B, page 27**]

(3) The Pure State Well No. 6 API No. 30-015-01099 was not plugged at all. [**Mesquite Exhibit 33, Appendix B, page 30**]. On page 30, it was indicated that there was "No Plugging Data" for this well.

(4) The Magnolia State Well No. 2 API No. 30-015-01092, and No. 7 API No. 30-015-01100 were designated as temporarily plugged and abandoned. Division records indicate that there were no records of such abandonment. As a result, those wells were required to be properly plugged and abandoned.

(5) Mesquite SWD, Inc.'s Motion for Clarification of Division Order No. R-13043 should be denied.

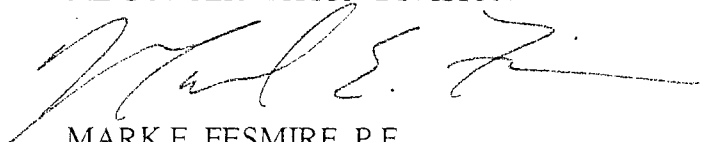
IT IS THEREFORE ORDERED THAT:

(1) Mesquite SWD, Inc.'s Motion for Clarification of Division Order No. R-13043 is hereby **denied** without prejudice.

(2) Mesquite may reopen the case in the next appropriate available docket without further notice to present any new evidence it might have at its disposal.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', is written over the printed name.

MARK E. FESMIRE, P.E.
Director