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

# IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

## IN THE MATTER OF MESQUITE SWD, INC.'S APPLICATION NO. PKVR0817936301 TO AMEND PERMIT SWD-180

Case No. 14178 Order No. R-13043

#### MESQUITE SWD, INC'S AMENDED MOTION TO ALLOW TEMPORARY INJECTION

Pursuant to the New Mexico Oil Conservation Division's authority under NMSA 1978 Section 70-2-5 and 70-2-6, Mesquite SWD, Inc. ("Mesquite") moves the New Mexico Oil Conservation Division ("NMOCD") to allow Mesquite to temporarily inject produced water into the Exxon State No. 8 disposal well. As grounds for this Amended Motion, Mesquite states:

 On October 15, 2008, Division Examiners David Brooks, Richard Ezeanyim, and Terry Warnell held a hearing on Mesquite's Application to Amend Order No. SWD-180 to Inject Salt Water.

2. At the hearing, Mesquite presented evidence that there was no plugging data available for the Magnolia State No. 3 well, API No. 30-015-01087, or the Pure State No. 6 well, API No. 30-015-01090.

3. On November 7, 2008, the NMOCD issued Order No. R-13043 approving Mesquite's Application subject to the conditions set forth in the Order. Prior to resuming injection into the Exxon State No. 8, the Order requires Mesquite to plug four wells: the Magnolia State No. 3, the

#### Pure State No. 6, and the Exxon State Nos. 2 and 7.

4. Subsequently, it has come to Mesquite's attention that both the Magnolia State No. 3 and Pure State No. 6 wells were properly plugged and that the NMOCD approved the plugging of these two wells. The NMOCD records show that the Magnolia State No. 3 was plugged and abandoned on September 29, 1953, and the NMOCD approved the plugging on September 30, 1953. Ex. 1, Exhibit 1, Scout Report, Magnolia State No. 3, dated September 29, 1953; Ex. 2, Exhibit 2, Miscellaneous Reports on Wells, Magnolia State No. 3, dated September 30, 1953. The NMOCD records also demonstrate that the Pure State No. 6 well was plugged on July 3, 1957. Exhibit 3, Form C-102, Pure State No. 6, Dated July 3, 1957; Exhibit 4, Miscellaneous Report, Pure State No. 6, dated July 11, 1957.

5. The other two wells, the Exxon State Nos. 2 and 7, are active producing wells operated by Mesquite SWD, Inc. Exhibit 5, Production Data for the Exxon State No. 2; Exhibit 6, Production Data for the Exxon State No. 7; Hearing Tr., p. 23, l. 17-18.

6. Mesquite moved for rehearing to correct the evidence presented in the hearing on October 15, 2008 that the Magnolia State No. 3 and Pure State No. 6 were not properly plugged.

7. At the rehearing on December 18, 2008, Mesquite will present the NMOCD documentation showing that the Magnolia State No. 3 and Pure State No. 6 have been properly plugged, and that the Exxon State Nos. 2 and 7 are active producing wells.

WHEREFORE Mesquite requests that the NMOCD allow it to temporarily inject produced water into the Exxon State No. 8 pending its presentation of evidence at the rehearing on December 18, 2008.

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Respectfully submitted,

HINKLE, HENSLEY, SHANOR & MARTIN, LLP

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Attorneys for Applicant Mesquite SWD, Inc.

#### **CERTIFICATE OF SERVICE**

I hereby certify that on this on this 8th day of December 2008, I sent via electronic mail a copy of the foregoing and *Mesquite SWD*, *Inc.'s Amended Motion to Allow Temporary Injection* to:

Mr. Sonny Swazo, Esq. Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505

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Kelcey C. Nichols

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