

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary

**Tony Delfin**  
Deputy Cabinet Secretary

**David R. Catanach, Division Director**  
Oil Conservation Division



February 3, 2016

Mr. Ben Stone  
SOS Consulting, LLC  
P.O. Box 300  
Como Tx. 75431

**RE: Administrative Order SWD-1464; First Extension of Deadline**

Black 7 SWD State Well No. 1 (API 30-015-35558)

660 FNL, 1980 FWL; Unit C, Sec 7, T25S, R28E, NMPM, Eddy County, New Mexico

Order Date: March 5, 2014

Injection into the Bell Canyon, Cherry Canyon and Brushy Canyon formations of the Delaware Mountain group; approved interval: 2430 feet to 4350 feet

Mr. Stone:

Reference is made to your request on behalf of OWL SWD Operating, LLC ("OWL") for an additional one year extension of the March 5, 2016 deadline to commence injection into the above named well for reasons outlined in the attached correspondence.

It is the Division's understanding from your request that there have been no significant changes in the information provided in the application submitted for review and approval of this order. These changes include the completion of new wells within the Area of Review that penetrated the approved injection interval and any changes in ownership.

The Division finds that granting this request to extend this administrative order is in the interest of conservation, will prevent waste, and will protect the environment.

All requirements of the above referenced administrative order and agreements in the application remain in full force and effect.

The deadline to commence injection for the existing order is hereby extended until March 5, 2017.

SWD-1464: First Extension of Deadline  
OWL SWD Operating, LLC  
February 3, 2016  
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Sincerely,



DAVID R. CATANACH  
Director

DRC/mam

cc: Oil Conservation Division – Artesia Office  
SWD-1464  
New Mexico State Land Office – Oil, Gas, and Minerals  
Well File API 30-015-35558



Oil & Gas Accounting Regulatory Processing / Estimation Oil & Gas Production / Estimation

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January 27, 2016

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

Attn: Mr. David Catanach, Director

*Re: Request for Extension of SWD-1464 pertaining to the Black Lake 7 No.1 located in  
Section 7, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico.*

Dear Mr. Catanach,

The subject administrative SWD order was recently acquired by Owl SWD Operating, LLC from Mewbourne Oil Company. The order applies to API well number 30-015-35558, the C-145 Change of Operator was approved June 3, 2015.

SWD-1464 expires on March 5, 2016.

Due to the current climate in the industry, as many operators, Owl SWD Operating, LLC is making adjustments and prioritizing projects as necessary. For the Black Lake 7 No.1 SWD project, commencement of disposal operations may not be possible by the March 5<sup>th</sup> expiration date.

Therefore, on behalf of Owl SWD Operating, LLC, I respectfully request that the expiration date of order SWD-1464 be extended for one year, to expire on March 5, 2017.

If you or your staff has any questions, please do not hesitate to call or email me.

Best regards,

A handwritten signature in black ink, appearing to read 'Ben Stone', written in a cursive style.

Ben Stone, Partner  
SOS Consulting, LLC  
Agent for Owl SWD Operating, LLC

Cc: Project file