BW - 27

MECHANICAL INTEGRITY TEST (MITs)

DATE: _____

Chavez, Carl J, EMNRD

From: Andy Rickard <arickard@cambrianmgmt.com>
Sent: Wednesday, November 30, 2016 10:48 AM
To: Billy Doucette; Chavez, Carl J, EMNRD
Cc: Griswold, Jim, EMNRD; Whitaker, Mark A, EMNRD; Alan Means
Subject: RE: BW-27 (Pyote Salado Dunaway Well No. 1 API# 30-015-28083 and Well No. 2 API# 30-015-28084): MIT Required

Thanks Billy, we will look into it

Andrew E Rickard
Project Manager
Cambrian MANAGEMENT, LTD.
415 West Wall St., Suite 900
Midland, TX 79701
Off: 432-620-9181
Cell: 432-553-2828

From: Billy Doucette [mailto:billy@pyotewatersystems.com]
Sent: Wednesday, November 30, 2016 9:39 AM
To: Chavez, Carl J, EMNRD
Cc: Griswold, Jim, EMNRD; Whitaker, Mark A, EMNRD; Alan Means; Andy Rickard
Subject: Re: BW-27 (Pyote Salado Dunaway Well No. 1 API# 30-015-28083 and Well No. 2 API# 30-015-28084): MIT Required

Carl,

Jerry Burton nor Pyote Well Service over see the wells for Pyote Water Solutions, LLC. You do have the correct email addresses for the new operator, Cambrian Management. Please direct any questions or concerns to them in the future.

Thanks in advance,

Billy Doucette
VP of Operations
Pyote Water Systems

Sent from my iPhone

On Nov 30, 2016, at 9:17 AM, Chavez, Carl J, EMNRD <CarlJ.Chavez@state.nm.us> wrote:

<image001.gif>
Jerry:

Good morning. OCD had requested that an EPA 5-Yr. Mechanical Integrity Test be performed on the above subject brine well on or before 11/30/16. The MIT schedule was apparently missed.

Please contact Mark Whitaker at the OCD Hobbs District Office within the next 3-days to schedule your MIT. His contact information is as follows:

Mark A. Whitaker - Petroleum Engineering Specialist
Phone extension: 120
Mobile: (575) 399-3202

- Field Inspections, Plug and Abandonment, Orphan Well Plugging, P&A Site Release

District 1
1625 N. French Drive
Hobbs, New Mexico 88240
OFFICE: (575) 393-6161 FAX: (575) 393-0720
EMERGENCY NUMBER - MOBILE: (575) 370-3186

Business Hours:
7:00 AM-12:00 PM and 1:00 - 4:00 PM

Monday through Friday
This office is responsible for OCD permitting, well data, inspection, and enforcement actions in Chaves, Curry, Lea, and Roosevelt Counties in the Permian Basin of New Mexico. Public access is available to OCD's computerized data.

Please contact me if you have questions. Thank you.

Mr. Carl J. Chavez
New Mexico Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St Francis Drive
Santa Fe, New Mexico 87505
Ph. (505) 476-3490
E-mail: CarlJ.Chavez@state.nm.us
"Why not prevent pollution, minimize waste to reduce operating costs, reuse or recycle, and move forward with the rest of the Nation?" (To see how, go to: http://www.emnrd.state.nm.us/OCD and see "Publications")

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Wednesday, November 30, 2016 8:17 AM
To: 'Jerry@Pyotewatersystems.com'
Cc: Griswold, Jim, EMNRD; Whitaker, Mark A, EMNRD; 'ameans@cambrianmgmt.com'; 'arickard@cambrianmgmt.com'
Subject: BW-27 (Pyote Salado Dunaway Well No. 1 API# 30-015-28083 and Well No. 2 API# 30-015-28084): MIT Required

Jerry:

Good morning. OCD had requested that an EPA 5-Yr. Mechanical Integrity Test be performed on the above subject brine well on or before 11/30/16. The MIT schedule was apparently missed.

Please contact Mark Whitaker at the OCD Hobbs District Office within the next 3-days to schedule your MIT. His contact information is as follows:

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Phone extension: 120
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Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Wednesday, October 19, 2016 5:07 PM
To: 'Jerry@Pyotewatersystems.com'
Cc: Griswold, Jim, EMNRD; Bayliss, Randolph, EMNRD; Inge, Richard, EMNRD; Sanchez, Daniel J., EMNRD
Subject: BW-27: Dunaway #1 30-015-28083 F-23-22S-27E & Dunaway #2 30-015-28084 F-23-22S-27E Last MIT Date: 2/25/2010 & 2/18/2010 Respectively
Attachments: EPA 5-Yr Casing MIT 10-12-2016 CJC.pdf; UIC Class III Cavern MIT Guidence 10-12-16CJC..pdf

Mr. Burton:

Re: BW-27 A Pyote Dunaway #1 30-015-28083 F-23-22S-27E
1474 2053 32.381607 -104.162101 Eddy Carlsbad 2 Private
Private 2 New Active 1/30/95 1/30/95 -
- 172 50 Salado
1060 1064 7 1024 2.875 1300 236 N/A 8,183,446 1,227,517 6,563,384
326 0.3075 2/18/2010 2/25/2010 under
review Jerry@Pyotewatersystems.com Jerry Burton 432-448-4917
Dunaway #2 30-015-28084 F-23-22S-27E
1443 1698 32.381705 -104.163300 Eddy Carlsbad 2 Private
Private 2 New Active 1/30/95 1/30/95 -
- 172 1054 1231 7 1223 2.875 1271 40 N/A 325 7,531,
780 1,129,767 6,040,727 760 0.7206 1/19/10 325.6 1170-
1205 332,505 2/18/2010

Jerry:

Good afternoon. The New Mexico Oil Conservation Division (OCD) has reviewed its administrative record for the above subject brine wells, and notice that your brine wells must be tested on or before November 30, 2016.

Please contact Mr. Richard Inge (see contact information below) to schedule either your Casing MIT or Cavern MIT (see attached procedures). The choice is yours.

District 2 - ARTESIA

811 S. First St.
Artesia, NM 88210

OFFICE: (575) 748-1283 FAX: (575) 748-9720
Business Hours:
7:00 AM - 12:00 PM and 1:00 PM - 4:00 PM
Monday through Friday

Richard Inge - Compliance Officer
Phone extension: 107
Mobile: (575) 626-0831

Field Inspections, Bradenhead, Packer, and Mechanical Integrity Tests

Please contact me if you have questions. Thank you.

Mr. Carl J. Chavez
New Mexico Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St Francis Drive
Santa Fe, New Mexico 87505
Ph. (505) 476-3490
E-mail: CarlJ.Chavez@state.nm.us

"Why not prevent pollution, minimize waste to reduce operating costs, reuse or recycle, and move forward with the rest of the Nation?" (To see how, go to: http://www.emnrd.state.nm.us/OCD and see "Publications")

UIC Program
Brine Well EPA 5-Yr. MIT Guidance

(30-minute hydrostatic well casing MIT closed to formation)

1) A work over rig must remove all tubing from the hole.

2) A packer or plug must be set within 20 feet of the casing shoe depth and piping must be filled, and pressured up from 300 to 500 psi. The casing/tubing annulus must be loaded with inert fluid at least 24 hours prior to testing.

2) Have manpower and equipment available for pressure test. Wellhead shall be prepared for test and all valves and gauges should be in good working order.

3) Pumps, tanks, external lines etc. must be isolated from the wellhead during test.

4) A continuous recording pressure device with a 1 **or 4-hour clock** shall be installed on the casing annulus. The pressure range shall not be greater than 500 psig. The operator must provide proof that the pressure-recording device has been calibrated within the past 6 months.

5) A minimum of one pressure gauge shall be installed on the casing/tubing annulus.

6) OCD must witness the beginning of test (putting chart on) and ending of test (removing chart). At the end of test operator may be required to bleed-off well pressure to demonstrate recorder and gauge response into an adequately sized containment vessel(s) for this purpose and to verify that there were no obstructions in the well during the test. Effluent from this vessel must be discharged back into the well at the completion of the test.

7) The Operator shall supply the following information on the pressure chart:

   A. Company Name, Well Name, API #, Legal Location.

B. Test Procedure (1) Casing + Formation (2) Casing Test Only (3) Both (4) Other
C. Testing Media: Water, Gas, Oil, Etc.
D. Date, time started and ending.
E. Name (printed) and signature of company representative and OCD Inspector

8) **TEST ACCEPTANCE:** The OCD will use the following criteria in determining if a well has passed the Mechanical Integrity Test:

A. **Passes** if Zero Bleed-Off during the test.
B. **Passes** if Final Test Pressure is within ± 10% of Starting Pressure, if approved by the OCD inspector.
C. **Fails** if any Final Test Pressure is greater than ± 10% of Starting Pressure. Operators must investigate for leaks and demonstrate that mechanical integrity of the well(s) by ensuring there are no leaks in the casing, or packer, and injected/produced fluids are confined within the piping and injection zones. Wells shall not resume operations until approved by OCD.

Note: OCD recognizes that different operations, well designs, formation characteristics and field conditions may cause variations in the above procedures. If operator wishes to make or anticipate changes, please notify the OCD for approval. All operators are responsible to notify OCD of any procedure that may cause harm to the well system or formation. Please be advised that OCD approval does not relieve any operator of liability should operations result in pollution of surface water, groundwater, or the environment.

Also note: This document is intended to provide technical guidance to operators on technical means to achieve compliance with the rules and regulations of the Oil Conservation Division and the Oil and Gas Act. The test procedures set forth are not regulations or policies and therefore other methods may exist to achieve compliance with the rules and regulations and the Oil and Gas Act.

NMOCD recommends that a licensed professional engineer or licensed geologist, or a licensed professional engineer or licensed geologist designee supervise all test procedures and associated field activity.

OCD UIC Program
Draft Brine Well Cavern MIT Guidance (4-hour hydrostatic well test open to the salt formation)

1) The cavern and all piping must be filled, pressured up and stabilized for a period of at least 24 hours prior to testing. If this test requires a packer then casing/tubing annulus must be loaded with inert fluid 24 hours prior to testing.

2) Have manpower and equipment available for pressure test. Wellhead shall be prepared for test and all valves and gauges should be in good working order.

3) Pumps, tanks, external lines etc. must be isolated from the wellhead during test.

4) A continuous recording pressure device with an **8 or 12-hour clock** shall be installed on the casing/tubing annulus. The pressure range shall not be greater than 500 psig. The operator must provide proof that the pressure-recording device has been calibrated within the past 6 months. **Note: Wells with packer installed: If this test requires both the casing/tubing annulus and cavern to be tested then two recording devices must be supplied or one recording device with two pins.**

5) A minimum of one pressure gauge shall be installed on the casing/tubing annulus.

6) OCD must witness the beginning of test (putting chart on) and ending of test (removing chart). Ensure that fluids from the well are not spilled onto the ground.

7) The Operator shall supply the following information on the pressure chart:

   A. Company Name, Well Name, API #, Legal Location.
   B. Test Procedure (1) Casing + Formation (2) Casing Test Only (3) Both (4) Other
   C. Testing Media: Water, Gas, Oil, Etc.
   D. Date, time started and ending.
   E. Name (printed) and signature of company representative and OCD

Inspector

8) **TEST ACCEPTANCE:** The OCD will use the following criteria in determining if a well has passed the Mechanical Integrity Test:

A. **Passes** if Zero Bleed-Off during the test.

B. **Passes** if Final Test Pressure is within ± 1% of Starting Pressure, if approved by the OCD inspector.

C. **Fails** if any Final Test Pressure is greater than ± 1% of Starting Pressure. Operators must investigate for leaks and demonstrate that mechanical integrity of the well(s) by ensuring there are no leaks in the tubing, casing, or packer, and injected/produced fluids are confined within the piping and injection zones. Wells shall not resume operations until approved by OCD. Caution is urged to reduce pressure appropriately as a function of depth to the salt cavern to prevent fracturing during testing.

Note: OCD recognizes that different operations, well designs, formation characteristics and field conditions may cause variations in the above procedures. If operator wishes to make or anticipate changes please notify the OCD for approval. All operators are responsible to notify OCD of any procedure that may cause harm to the well system or formation. Please be advised that OCD approval does not relieve any operator of liability should operations result in pollution of surface water, groundwater, or the environment.

Also note: This document is intended to provide technical guidance to operators on technical means to achieve compliance with the rules and regulations of the Oil Conservation Division and the Oil and Gas Act. The test procedures set forth are not regulations or policies and therefore other methods may exist to achieve compliance with the rules and regulations and the Oil and Gas Act.

OCD recommends that a licensed professional engineer or licensed geologist, or a licensed professional engineer or licensed geologist designee supervise all test procedures and associated field activity.

Wildcat Measurement Service, Inc.

416 East Main Street
P.O. Box 1836
Artesia, New Mexico 88211
Office: (575)746-3481
Toll Free: 1-888-421-9453

Calibration Certificate

Company Name: Mesquite Services.
Recorder Type: Barton.
Recorder Serial:# 265-061709 CM2.

Recorder Pressure Range: 0-1000# Accuracy +/-: 0.2% PSIG
Temperature Range: _____ Deg F.

Increasing Pressure			Decreasing Pressure		
Applied Pressure	Indicated Pressure	Error%	Applied Pressure	Indicated Pressure	Error%
0.0#	0.0#	0	800#	800#	0
100#	100#	0	600#	600#	0
300#	300#	0	400#	400#	0
500#	500#	0	200#	200#	0
700#	700#	0	0.0#	0.0#	0
1000#	1000#	0			

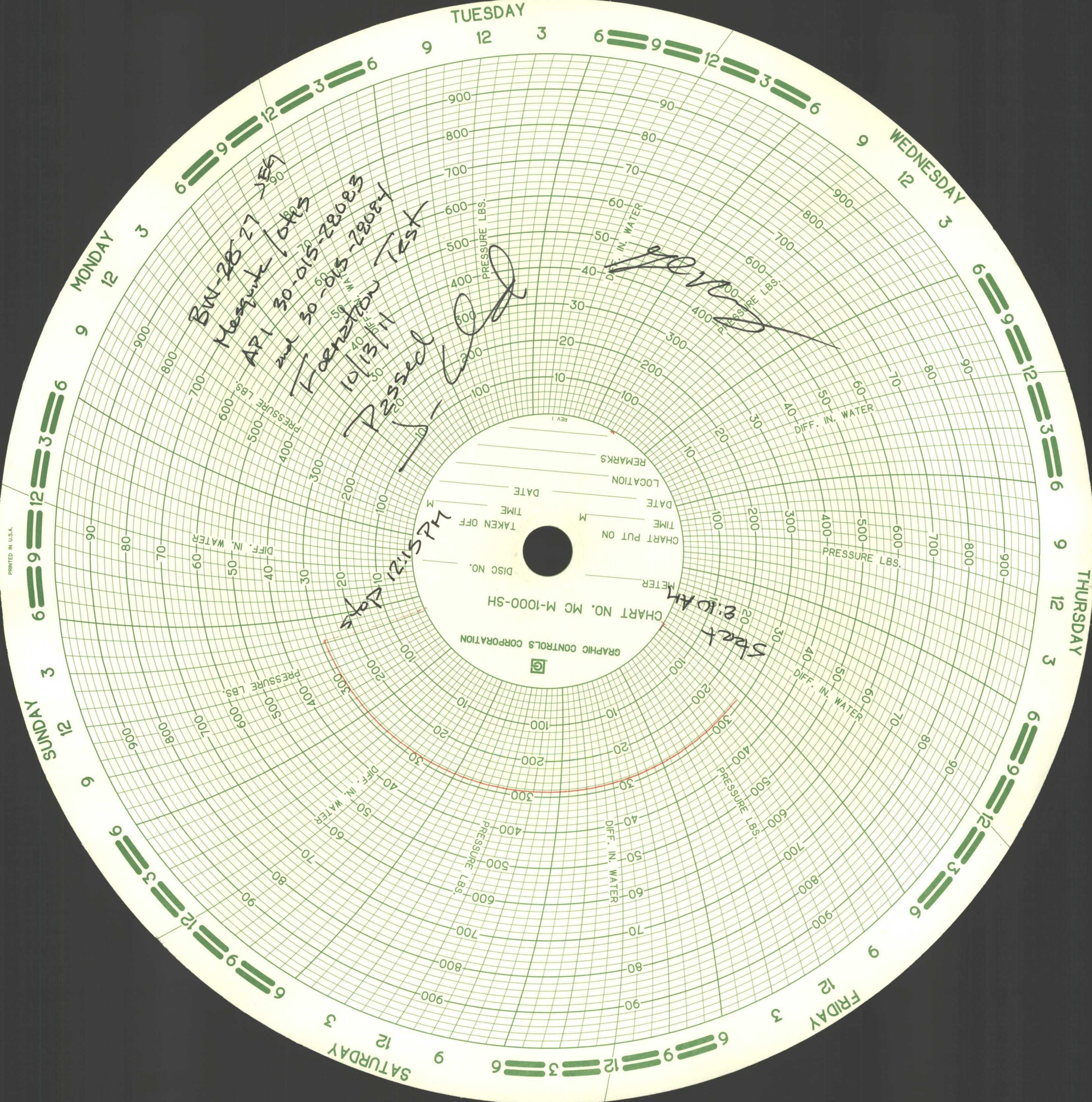
Temperature Test		
Applied Temperature	Indicated Temperature	Error%

Certified Calibration Instrument Used
Gauge: Crystal.
Deadweight: _____.

Remarks: _____

Calibration Date: 10-07-2011.

Technician: Craig Sutherland.


TUESDAY
WEDNESDAY
THURSDAY
FRIDAY
SATURDAY
SUNDAY
MONDAY
PRESSURE LBS.
DIFF. IN. WATER
GRAPHIC CONTROLS CORPORATION
CHART NO. MC M-1000-SH
METER
DISC NO.
CHART PUT ON
TIME
DATE
TAKEN OFF
TIME
DATE
LOCATION
REMARKS
REV 1
PRINTED IN U.S.A.
BW-2827 JSA
Measure Holes
API 30-015-28083
and 30-015-28084
Orientation Test
10/13/11
Passed
Start 12:15 PM
Start 8:10 AM

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Friday, April 23, 2010 6:56 AM
To: 'Alvarado, David'; 'lyn.sockwell@basicenergyservices.com'; 'James Millett'; Clay Wilson; 'Patterson, Bob'; 'gandy2@leaco.net'; 'Gary Schubert'; 'Dan Gibson'
Cc: VonGonten, Glenn, EMNRD; Griswold, Jim, EMNRD
Subject: New Mexico UIC Class III Brine Well MIT Scheduling with Completion by September 30, 2010

Gentlemen:

Re:

Basic Energy Services: BW-002 & BW-025
Gandy Corporation: BW-004 & BW-022
Key Energy Services, LLC: BW-028
Mesquite: BW-027 (MITs on 2-Well System Completed this Season) & BW-030
Salty Dog: BW-008
HRC: BW-031

Good morning. It is that time of year again to remind operators that their MITs for this season must be completed by 9/30/2010. The list of operator names w/ associated brine wells are provided above and as in the past, the OCD attempts to schedule MITs logistically on the same day and it in a route with start times that is most efficient in the field.

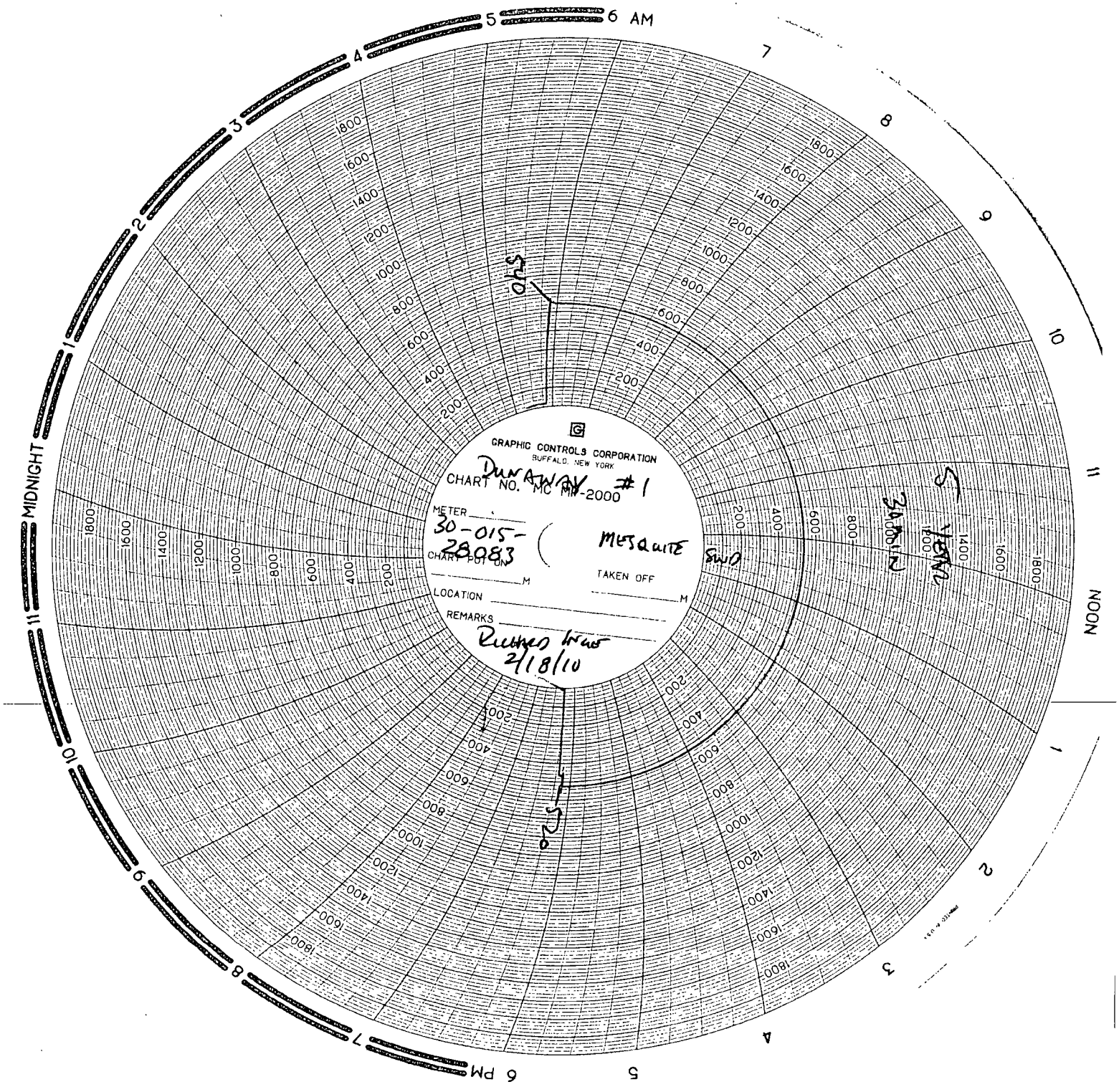
Operators are aware of the annual formation MIT (4-hr @ 300 psig or less depending on historical pressure and TD of well) and every 5-yrs. or after well workover. EPA MIT (30 min. @ 500 psig). Operators need to review well MIT records to inform OCD-EB of the type of MIT it will run this year and inform OCD-EB of any issues or concerns associated with this season's MIT.

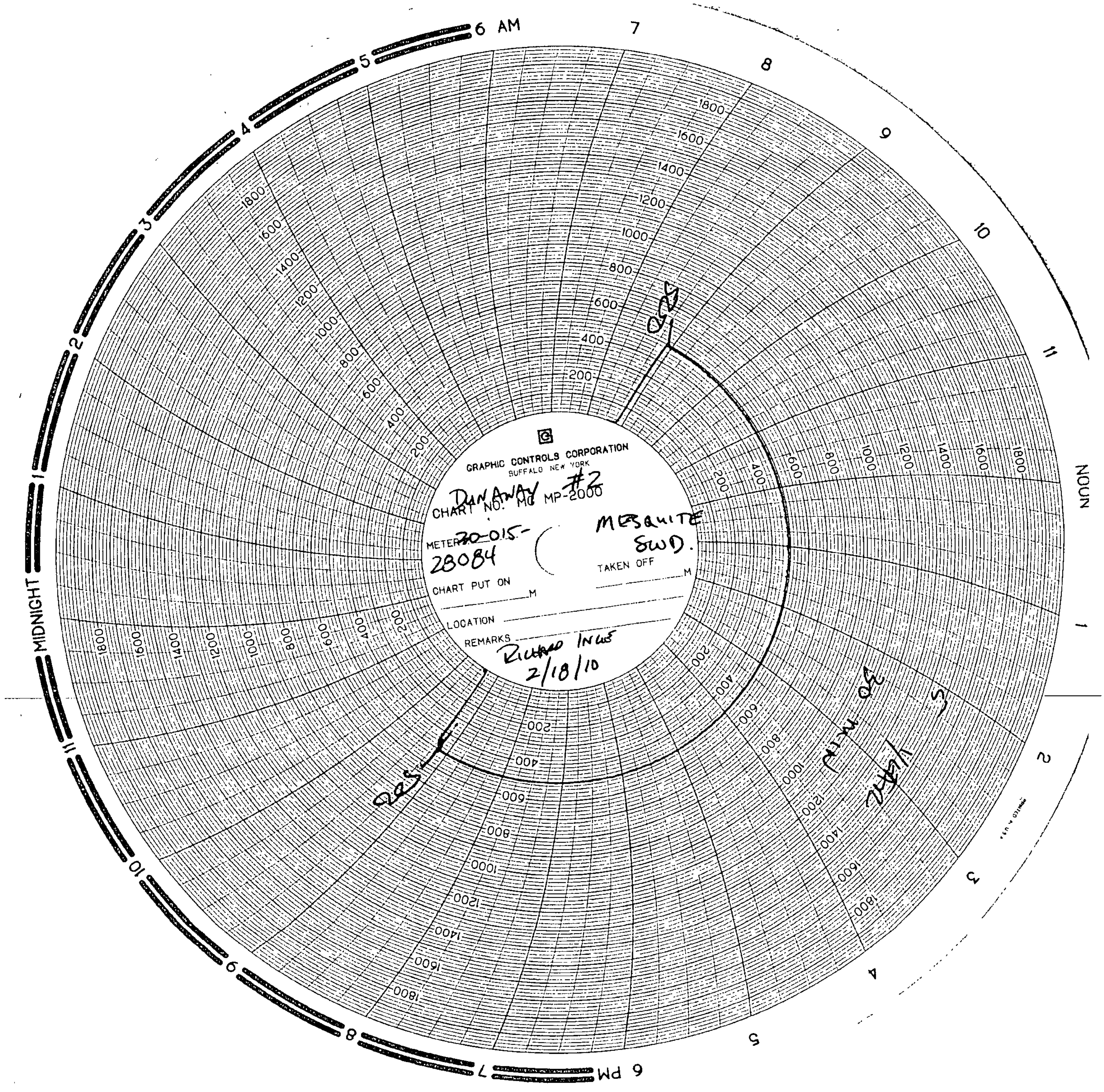
You may access your well information on OCD Online either by API# and/or Permit Number at http://ocdimage.emnrd.state.nm.us/imaging/AEOrderCriteria.aspx and http://www.emnrd.state.nm.us/OCD/OCDPermitting/Data/Wells.aspx. For information on New Mexico's UIC Program and training information, please go to: http://www.emnrd.state.nm.us/ocd/Publications.htm.

Please contact Jim Griswold at (505) 476-343465 on or before May 7, 2010 to schedule your preferred MIT date and time. Jim will work to finalize the witness schedule with each of you. Thank you in advance for your cooperation.

Copy: Brine Well Files BWs- 2, 4, 8, 22, 25, 27, 28, 30 & 31

Carl J. Chavez, CHMM
UIC Program Quality Assurance & Quality Control Officer
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3490
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: http://www.emnrd.state.nm.us/ocd/index.htm
(Pollution Prevention Guidance is under "Publications")


GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
CHART NO. MC MP-2000
METER
30-015-
28083
CHART PUT ON
TAKEN OFF
LOCATION
REMARKS
Runner Hrs
2/18/10
MIDNIGHT
NOON
6 AM
6 PM


GRAPHIC CONTROLS CORPORATION
BUFFALO NEW YORK
CHART NO. MC MP-2000
DUNAWAY #2
METER 30-015-
28084
MESQUITE
SWD.
CHART PUT ON ____M
TAKEN OFF ____M
LOCATION
REMARKS
RICHARD INGLE
2/18/10
6 AM
7
8
9
10
11
NOON
1
2
3
4
5
6 PM
MIDNIGHT
30 MIN
200
400
600
800
1000
1200
1400
1600
1800

Chavez, Carl J, EMNRD

From: Inge, Richard, EMNRD
Sent: Thursday, February 18, 2010 3:40 PM
To: Chavez, Carl J, EMNRD
Subject: MITs on the Mesquite SWD Dunaway 001 and 002

Carl,

We performed MIT pressure tests on the Dunaway 001 and 002 this morning. (30-015-28084 & (30-015-28083) They passed. Clay Wilson said you wanted the original charts. I kept them and have already sent them to be scanned into our well file. They should be there in a couple of days. The inspection information should be available to you tomorrow after I synch RBDMS this evening.

--Richard

7/2/2009

Active Brine Well Facilities

• **BW-2** Basic Energy/P&S Eunice #1 (API 30-025-26884)
Began production in July 1980.
Depth to top-of-salt 1320 ft bgs. Casing shoe @ 1440 ft bgs. Tubing depth 1718 ft bgs.
Last sonar log completed February 2009. Interval imaged 1440 to 1666 ft bgs. Log indicates only 21,000 bbls of cavern volume despite historic production of 6.8 Mbbls. Cavern should be ~1Mbbls.
Permit renewal date: 1/6/2014

• **BW-4** Gandy Corporation/Eidson State #1 (API 30-025-26883)
Began production in August 1980.
Depth to top-of-salt 1865 ft bgs. Casing shoe @ 1895 ft bgs. Tubing depth 2461 ft bgs.
Last sonar log completed October 2008. Interval imaged 1909 to 1944 ft bgs. Log indicates only 11 bbls of cavern volume despite historic production of 5.28 Mbbls. Cavern should be ~800,000 bbls.
Permit renewal date: 6/11/2011

• **BW-8** PAB Services/Brine Supply #1 (API 30-025-26307)
Began production in May 1979.
Depth to top-of-salt 2000 ft bgs. Casing shoe @ 1871 ft bgs. Tubing depth 2552 ft bgs.
Last sonar log completed February 2009. Interval imaged 1871 to 1903 ft bgs. Log indicates only 720 bbls of cavern volume despite historic production of perhaps 12 Mbbls. Cavern should be 1.8 Mbbls.
Permit renewal application currently under review.

• **BW-22** Gandy Corporation/Watson #1 (API 30-025-28162)
Began production in April 1983.
Depth to top-of-salt 2290 ft bgs. Casing shoe @ 2249 ft bgs. Tubing depth 2870 ft bgs.
Last sonar log completed August 2008. Interval imaged 2200 to 2220 ft bgs. Log indicates only 11,289 bbls of cavern volume despite historic production of perhaps 18 Mbbls. Cavern should be 2.7 Mbbls.
Permit renewal date: 3/11/2012

• **BW-25** Basic Energy/Salado #2 (API 30-025-32394)
Began production in September 1993.
Depth to top-of-salt 1220 ft bgs. Casing shoe @ 1220 ft bgs. Tubing depth 1385 ft bgs.
No sonar log run. Historic production of perhaps 1.7 Mbbls, indicating cavern volume of 25,500 bbls.
Permit renewal application currently under review.

• **BW-27** Mesquite SWD/Dunaway #1 and #2 (APIs 30-015-28083 and 28084)
Began production in January 1995.
Depth to top-of-salt 1060 ft bgs. Casing shoe @ 1064 ft bgs. Tubing depth 1024 ft bgs.
Last sonar log attempted December 2008 but failed to get any data due to configuration of casing and tubing.
Permit renewal date: 9/21/2009

• **BW-28** Key Energy/State Brine Well #1 (API 30-025-33547)
Began production in October 1996.
Depth to top-of-salt 1390 ft bgs. Casing shoe @ 1390 ft bgs. Tubing depth 2074 ft bgs.
Sonar log completed 5/20/09. Report not yet provided. Estimated production of perhaps 4 Mbbls. indicating cavern volume of 600,000 bbls.
Permit renewal date: 7/18/2011

• **BW-30** Liquid Resource/Hobbs State #10 (API 30-025-35915)
Began production in July 2002.
Depth to top-of-salt 1645 ft bgs. Casing shoe @ 1633 ft bgs. Tubing depth 1930 ft bgs.
OCD did not require them to run sonar due to shortness of operational life. Estimated brine production of 1.4 Mbbls, indicateing cavern may be 207,000 bbls.
Permit renewal date: 5/29/2012

• **BW-31** HRC/HRC Schubert 7 #1 (API 30-025-36781)
Began production in October 2006.
Depth to top-of-salt 1800 ft bgs. Casing shoe @ 1865 ft bgs. Tubing depth 2300 ft bgs.
No sonar log run. Estimated production of only 560,000 bbls and thus cavern only 84,000 bbls.
Permit renewal date: 6/22/2011

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

WELL API NO.
30-015-28083

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name
Dunaway

1. Type of Well: Oil Well ☐ Gas Well ☒ Other BRINE

8. Well Number # 1

2. Name of Operator
Mesquite SWD Inc.

9. OGRID Number 161968

3. Address of Operator
P.O. Box 1479 Carlsbad NM 88221-1479

10. Pool name or Wildcat
BSW Salado

4. Well Location
Unit Letter F : 1474 feet from the North line and 2053 feet from the West line
Section 23 Township 22S Range 27E NMPM County Eddy

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3091GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ **Depth to Groundwater** _____ **Distance from nearest fresh water well** _____ **Distance from nearest surface water** _____

Pit Liner Thickness: _____ ***mil*** ***Below-Grade Tank: Volume*** _____ ***bbls;*** ***Construction Material*** _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
OTHER: Brine well ☐				OTHER:			☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

12/3/08

1) Ru Eunice well TOH ,RU Blackwarrior wire line ran in with sinker bar tagged at 1058ft tried to work threw could not get through,came out hole.
2) RU fresh water tried to wash salt for three hours,ran back in hole tagged at 1058ft.
3) Talk with Larry VanMetre with Socon Sonar he said his tool would not work inside casing.
4) Ran tubing back in hole.
5)RU I&W pumped 55bbl of packer fluid, set packer.
6)Presured up to 300# for 30min. held
7) RD moved to the Dunaway #2
8) Had I&W come back on 12-10-2008 to run pressure test . pressured up 400# for 30min held.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. **I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.**

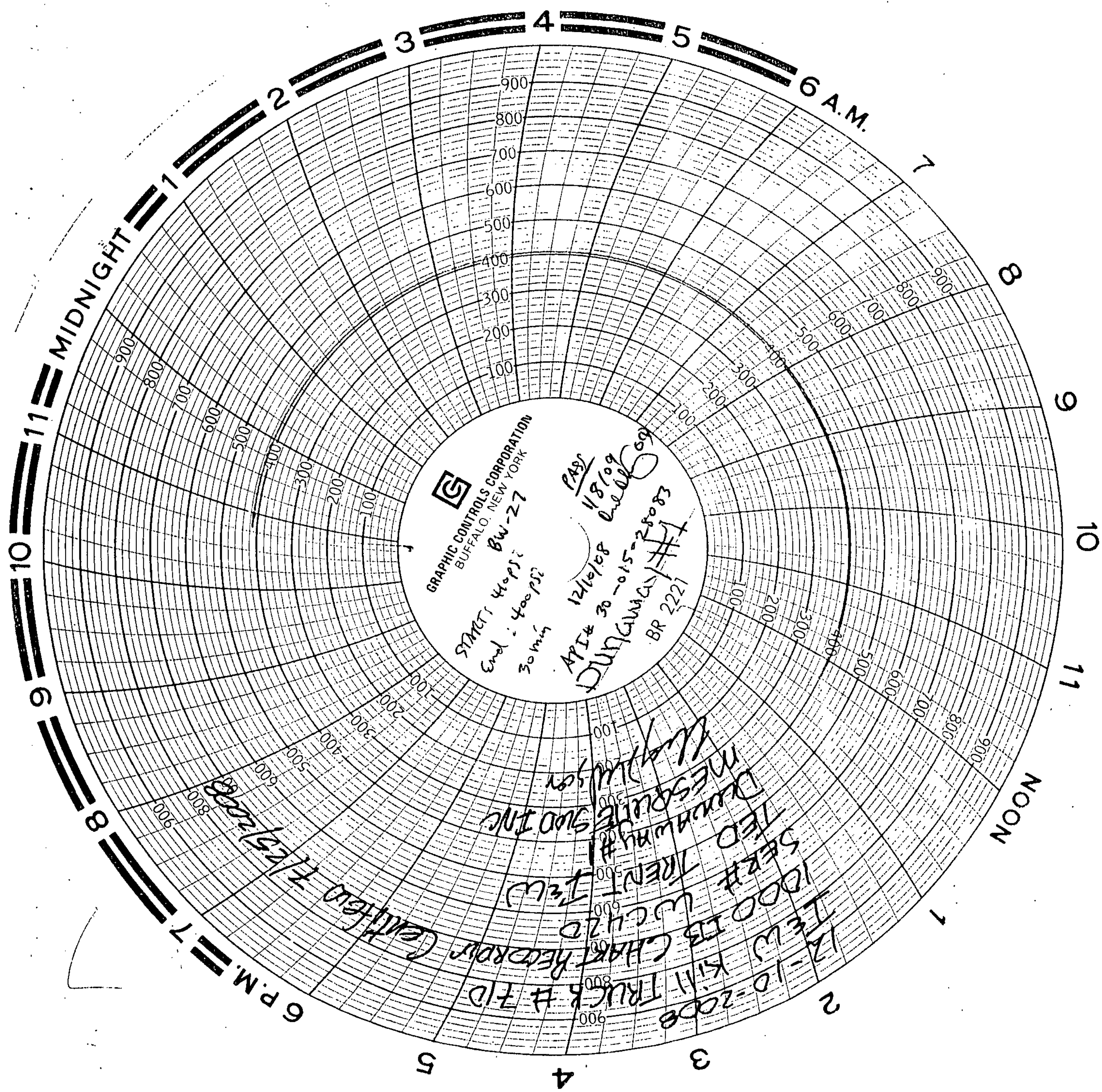
SIGNATURE Clay Wilson TITLE V.P DATE 12/12/08

Type or print name CLAY L WILSON E-mail address: Telephone No. 575-706-1840

For State Use Only

APPROVED BY: [signature] TITLE Environmental engr DATE 1/12/09

Conditions of Approval (if any): w/ attached condition.


GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
BR 2221
MIDNIGHT
6 A.M.
NOON
6 P.M.
BW-27
STARTS 400psi
End: 400psi
30 min
PASS
1/8/09
12/10/08
API# 30-015-28083
12-10-2008
TRUCK # 710
CHART RECORDER Certified 7/23/2008
SER# WC420
TRENT
MESQUITE SWD INC

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Monday, January 12, 2009 11:58 AM
To: 'Clay Wilson'
Cc: Price, Wayne, EMNRD; Gum, Tim, EMNRD
Subject: Mesquite Carlsbad Dunaway Well Nos. 1 (API# 30-015-28083) & 2 (API# 30-015-28084) (BW-27) Sonar Test Failure 12/10/2008

Clay:

The NMOCD understands why SOCON was unable to run sonar tests for the above two-well brine well system. It appears that you pressured up the annulus above the packer w/o removing the packer and tubing from the wells?

You will need to pull the packers and tubing out of each of the brine wells in order to run the sonar tests. If you are unable to run the sonar tests, based on the shallow depth and thinness of the salt section near Carlsbad, the NMOCD may require that the facility be closed.

Please let me know when the next sonar tests will be performed or what you propose based on the above. Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3491
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: http://www.emnrd.state.nm.us/ocd/index.htm
(Pollution Prevention Guidance is under "Publications")

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

WELL API NO.
30-015-28084

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name
Dunaway

1. Type of Well: Oil Well ☐ Gas Well ☒ Other Brine

8. Well Number # 2

2. Name of Operator
Mesquite SWD Inc.

9. OGRID Number 161968

3. Address of Operator
P.O. Box 1479 Carlsbad NM 88221-1479

10. Pool name or Wildcat
BSW Salado

4. Well Location
Unit Letter F : 1443 feet from the North line and 1698 feet from the West line
Section 23 Township 22S Range 27E NMPM County Eddy

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3094GR

Pit or Below-grade Tank Application ☐ or Closure ☐
Pit type ____ Depth to Groundwater ____ Distance from nearest fresh water well ____ Distance from nearest surface water ____
Pit Liner Thickness: ____ mil Below-Grade Tank: Volume ____ bbls; Construction Material ____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
OTHER: Brine well ☒				OTHER:	☐		

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1) 12-4-2008 Ru Eunice well TOH ,RU Blackwarrior wire line ran in with sinker bar tagged at 12334 tried to work threw could not get through,came out hole.
2) Talk with Larry Van Metre with SOCON Sonar he said his tool would not work, he need more than 2ft from under the casing shoe for sonar tool to be able to work.did not run tool .
3) RU rigged up I&W pumped 65bbls of packer fluid, set packer , ran 30min chart @ 350 held.
4) RD Eunice well, Blackwarrior wireline.
5) Put well back into production.
6) 12-10-2008 RU I&W Ran 30min Chart @ 380 held.

grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Clay Wilson TITLE V.P. DATE 12/12/2008

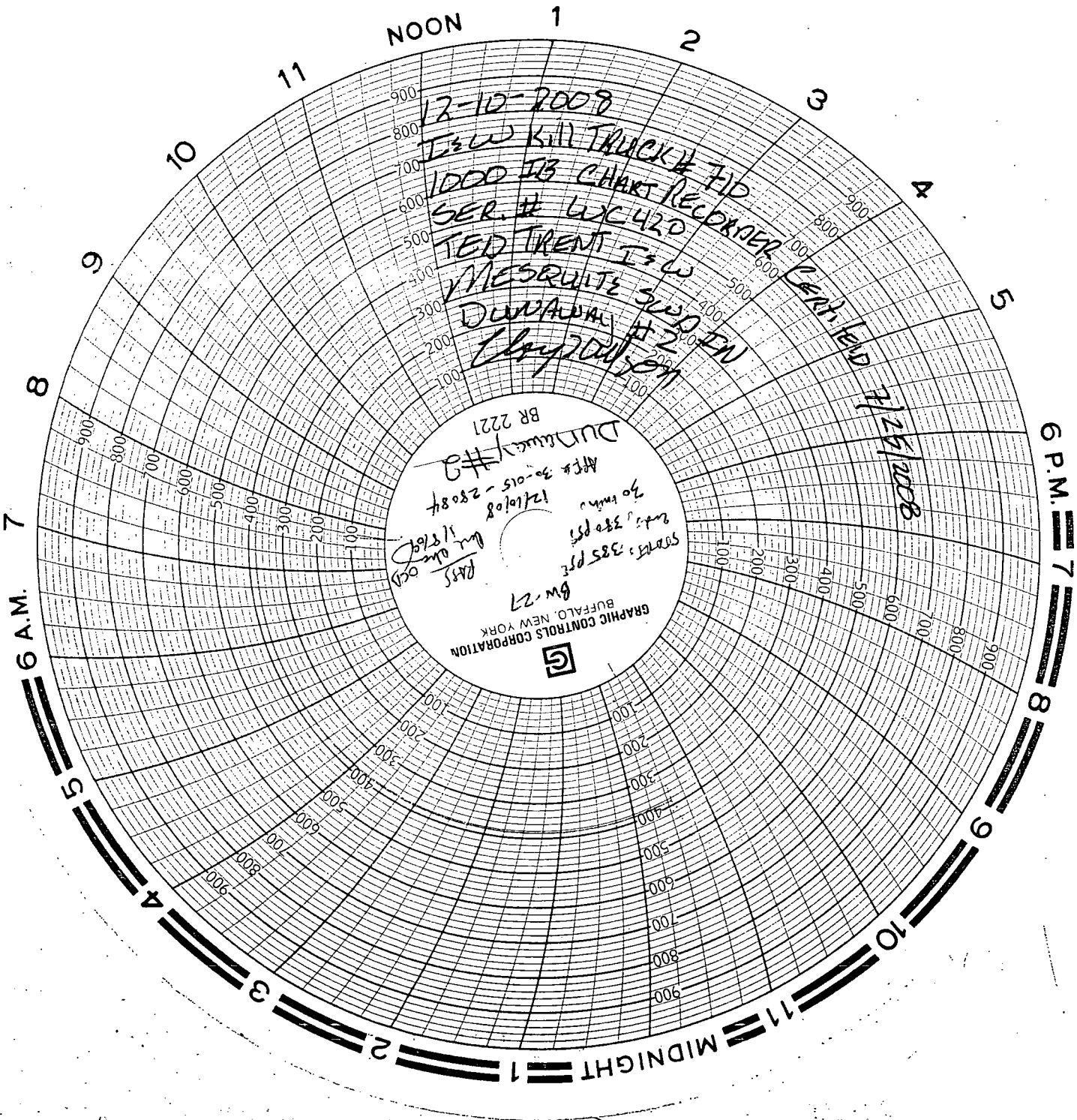
Type or print name CLAY LWILKSON E-mail address: Telephone No. 575-706-1840

For State Use Only

APPROVED BY: Chad J. Dhuy TITLE Environmental Engr DATE 1/12/09

Conditions of Approval (if any):

w/ attached addition.


12-10-2008
I & W Kill TRUCK # 710
1000 lb CHART RECORDER Certified 7/27/2008
SER. # LXC420
TED TRENT I & W
MESQUITE SWD #2
DUNAWAY
Clay Dalton
NOON
1
2
3
4
5
6 P.M.
7
8
9
10
11
MIDNIGHT
1
2
3
4
5
6 A.M.
7
8
9
10
11
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
BR 2221
DUNAWAY #3

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Monday, January 12, 2009 11:58 AM
To: 'Clay Wilson'
Cc: Price, Wayne, EMNRD; Gum, Tim, EMNRD
Subject: Mesquite Carlsbad Dunaway Well Nos. 1 (API# 30-015-28083) & 2 (API# 30-015-28084) (BW-27) Sonar Test Failure 12/10/2008

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1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3491
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: http://www.emnrd.state.nm.us/ocd/index.htm
(Pollution Prevention Guidance is under "Publications")

Chavez, Carl J, EMNRD

From: Clay Wilson [claylwilson@pccnm.com]
Sent: Sunday, November 30, 2008 4:27 PM
To: Chavez, Carl J, EMNRD
Subject: Re: BW-27 (Dunaway No. 2) Upcoming MIT & Sonar Testing

Carl
We are set for the 3rd of December at 9:ooam
Thanks
Clay

----- Original Message -----
From: Chavez, Carl J, EMNRD
To: Clay Wilson
Sent: Thursday, November 20, 2008 4:39 PM
Subject: RE: BW-27 (Dunaway No. 2) Upcoming MIT & Sonar Testing

Clay:

Since you will be pulling the tubing for the sonar, the OCD is allowing the EPA 5-Yr. pressure up on casing for 30 minutes at 300 to 500 psi. I'll be out of the office all next week. Let me know if you have questions. Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3491
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: http://www.emnrd.state.nm.us/ocd/index.htm
(Pollution Prevention Guidance is under "Publications")

From: Clay Wilson [mailto:claylwilson@pccnm.com]
Sent: Wednesday, November 19, 2008 7:17 PM
To: Chavez, Carl J, EMNRD
Subject: Re: BW-27 (Dunaway No. 2) Upcoming MIT & Sonar Testing

Carl
I have my set up to run the sonar on December 3rd,I"ll let you know what time.I'm not sure what MIT test you want me to run, do you want to pressure test between the casing and tubing or do you want to pressure test the formation.If you want the formation it will have to be a different day.
Thanks
Clay

----- Original Message -----
From: Chavez, Carl J, EMNRD
To: Chavez, Carl J, EMNRD ; Clay Wilson
Cc: Sanchez, Daniel J., EMNRD ; Price, Wayne, EMNRD
Sent: Wednesday, November 12, 2008 9:08 AM
Subject: RE: BW-27 (Dunaway No. 2) Upcoming MIT & Sonar Testing

Clay:

After speaking with my Supervisor Wayne Price, and under the current circumstances, the OCD is requiring

your brine well to be sonar tested within 30 days of this notice. Since you will be performing this task, it may be prudent to conduct the MIT too. Please contact me to confirm the type of MIT this year. Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3491
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: http://www.emnrd.state.nm.us/ocd/index.htm
(Pollution Prevention Guidance is under "Publications")

From: Chavez, Carl J, EMNRD
Sent: Tuesday, October 21, 2008 3:24 PM
To: 'Clay Wilson'
Cc: Sanchez, Daniel J., EMNRD; Price, Wayne, EMNRD
Subject: BW-27 (Dunaway No. 2) Upcoming MIT & Sonar Testing

Clay:

Re: OCD August 1, 2008 Letter w/ Brine Well Information Request (BWIR)

Good afternoon. The Oil Conservation Division (OCD) has reviewed Mesquite's responses to the BWIRs for the above subject OCD permitted brine well. Based on the operational life and volume of brine produced from the above brine well, sonar testing is required along with your MIT on or before July 31, 2009. According to OCD records, no sonar testing has been conducted on the above subject brine well to date.

Please contact me within 8 working days to arrange the type, date and time for the MITs and corresponding date for sonar testing. Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3491
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: http://www.emnrd.state.nm.us/ocd/index.htm
(Pollution Prevention Guidance is under "Publications")

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD

Sent: Thursday, December 21, 2006 3:14 PM

To: 'claylwilson@pccnm.com'

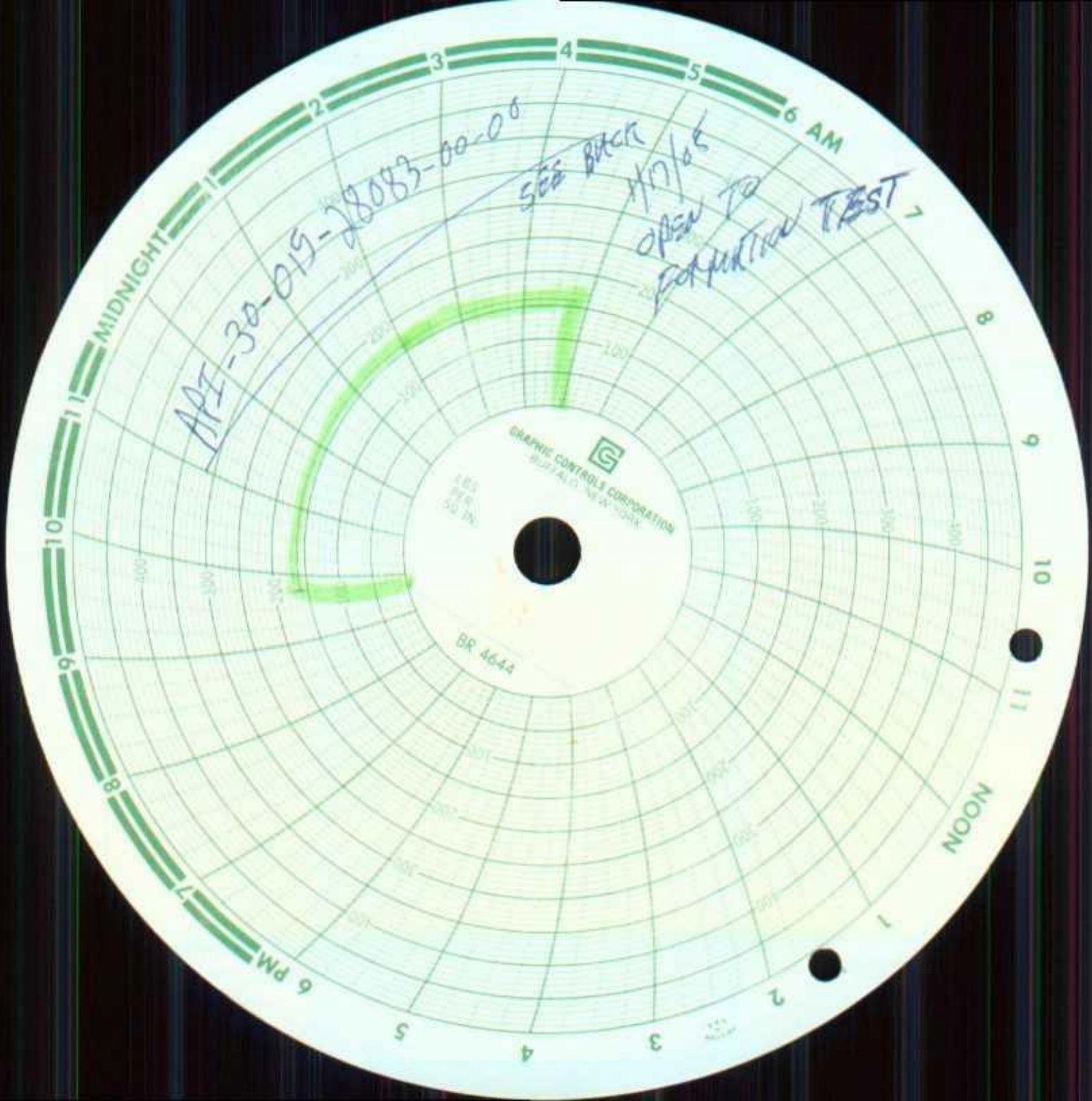
Subject: API# 30-015-28084 (BW-27) Dunaway #2 MIT Cavity Water Test 12/18/2006 Passed

Clay:

Please find attached the MIT Water Cavity Test for your Class III Brine Well (two well system) Dunaway #2. Although the chart shows a greater than 1% differential or about 8 psi drop from 290 psi during the 4 hour test, it was apparent that the cavity was not stabilized for 24 hours before the test. Consequently, Mr. Wayne Price of the OCD factored this into the MIT this year and you passed the MIT. However, next year, please be sure to stabilize the cavity 24 hours in advance of the start of the MIT. Please contact me if you have questions. Thanks for your cooperation.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3491
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: http://www.emnrd.state.nm.us/ocd/
(Pollution Prevention Guidance is under "Publications")


GRAPHIC CONTROLS CORPORATION
CHART NO. MC MP-1000
BW-27
12/18/06
CAVITY TEST
water
METER
TAKEN OFF
CHART PUT ON
LOCATION
U2F 23-22S-27E
REMARKS
Mesquite Dunaway #2
API 30-015-28084
Carl Chavez
6 AM
NOON
6 PM
MIDNIGHT


API-30-015-28083-00-00
SEE BACK 1/17/06
OPEN TO FORMATION TEST
MIDNIGHT
6 AM
NOON
6 PM
GRAPHIC CONTROLS CORPORATION
BR 4644

MESQUITE SWD INC
BRINE WELL
OWNASA # 1

1-17-05

Co Man Clayton Wilson


6 AM
NOON
6 PM
MIDNIGHT
OCD
WITNESS: W PRICE
M STUBBLEFIELD
OPERATOR:
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
BW-027 WELL #2 30-015-28084
CASING TEST - WATER
PLAINS ALL AMERICAN
11/18/02
BR 4644
OFF 11:30AM
ON 10:30AM
2 3/8 BLEED-OFF


6 AM
NOON
6 PM
MIDNIGHT
off 11:30AM
ON ≈ 10:30AM
WITNESS: W PRICE
M STUBBLE
OPERATOR:
(HOOKCLOCK)
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
BW-027 WELL #1 30-015-28083
CASING TEST-WATER
PLAINS ALL AMERICAN
11/18/02
BR 4644

American Valve & Meter, Inc.

113 W. Broadway
P.O. Box 166
Hobbs, NM 88240

CARLSBAD
well #1

BC-027

To: Plains Marketing Date: 11-26-01

This is to Certify that:

I, Tony Flores, Technician for American Valve & Meter, Inc.,

has checked the calibration of the following instrument

8" 0-500# P.S.I. Recorder Serial Number _____

at these points.

Pressure 0-500# Temperature _____

Test	Found	Left	Test	Found	Left
0	0	0			
100	100	100			
200	200	200			
300	300	300			
400	400	400			
500	500	500			

Remarks: _____

Signature Tony Flores

BW-027A

American Valve & Meter, Inc.

113 W. Broadway
P.O. Box 166
Hobbs, NM 88240

carlsbad
well #2

To: Plain Marketing Date: 11-26-01

This is to Certify that:

I, Tony Flores, Technician for American Valve & Meter, Inc.,

has checked the calibration of the following instrument

8" 0-1000# P.S.I. Recorder Serial Number _____

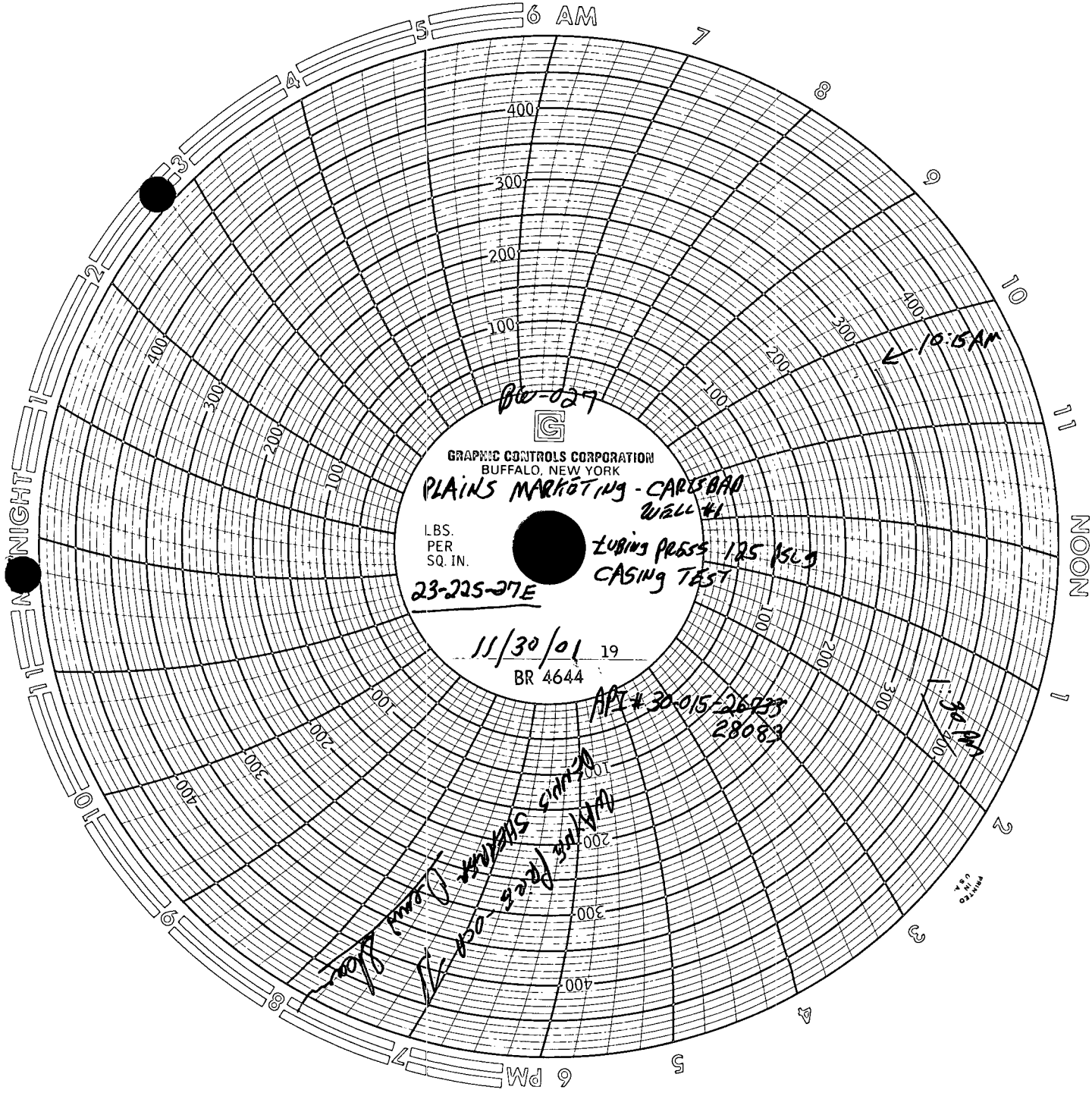
at these points.

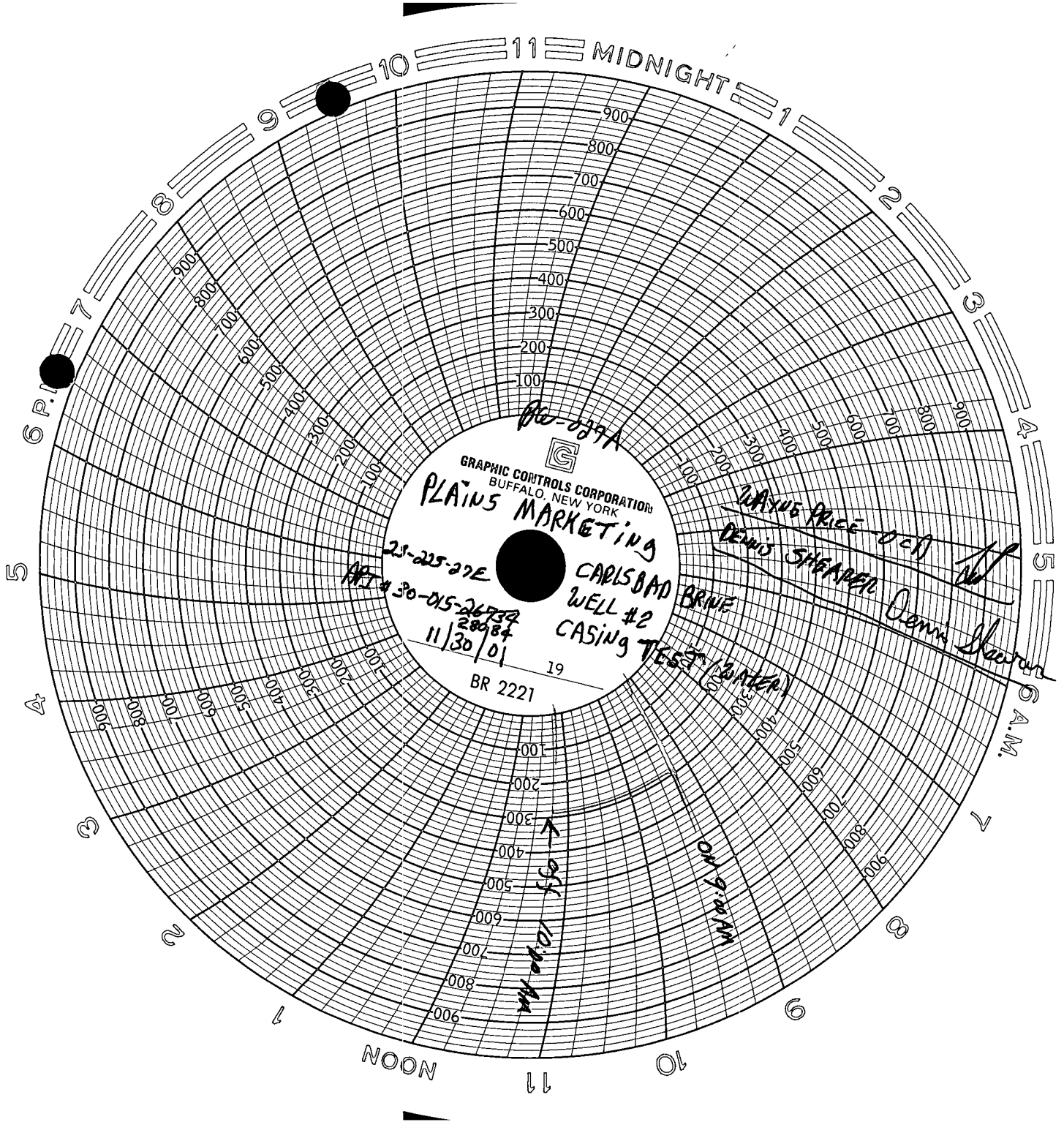
Pressure 0-1000# Temperature _____

Test	Found	Left	Test	Found	Left
~~0~~	-5	~~0~~			
200	195	200			
400	395	400			
600	595	600			
800	795	800			
1000	995	1000			

Remarks: _____

Signature Tony Flores


6 AM
NOON
6 PM
MIDNIGHT
400
300
200
100
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
PLAINS MARKETING - CARLSBAD
WELL #1
LBS.
PER
SQ. IN.
23-22S-27E
11/30/01 19
BR 4644
Tubing Press 125 psig
Casing Test
API # 30-015-26033
280833
L-10:15AM
PRINTED IN U.S.A.


MIDNIGHT
NOON
6 P.M.
6 A.M.
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
PLAINS MARKETING
23-22S-27E
CARLSBAD
WELL #2
CASING TEST (WATER)
11/30/01
19
BR 2221
Jamie Price - DCP
Dennis Shearer

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

PLAINS ALL AMERICAN October 20, 2001
BW-12 & 27, 27A

CERTIFIED MAIL
RETURN RECEIPT NO. 5357 7539

Attention: Brine Well Operators

Re: Mechanical Integrity Testing of Brine Supply Wells

The Underground Injection Control Program of the Federal Safe Drinking Water Act requires that operators demonstrate mechanical integrity of all injection wells by ensuring there are no leaks in the tubing, casing, or packer. and injected/produced fluids are confined within the piping and injection zones.

The Oil Conservation Division (OCD) requires operators of brine supply wells to perform the following mechanical integrity test:

1. At least once every five years isolate the cavern formation from the casing/tubing annuals and hydrostatic fluid pressure test the casing at 300 psig for 30 minutes. New brine wells and wells being worked over will have to be tested in this manner before operations begin.

2. Annually perform an open hole cavern formation pressure test by pressuring up the formation with fluids to one and one-half times the normal operating pressure or 300 psig whichever is greater for four hours. However. no operator may exceed surface injection or test pressures that may cause formation fracturing or system failures. Systems requiring test pressures less than 300 psig or methods that use testing media other than fluids. i.e. gas. must be approved by OCD prior to testing. Brine supply wells operating with isolation packers will have to pressure test both the cavern formation and casing/tubing annuals.

Please find enclosed an "OCD Brine Well Test Schedule November 2001" and "Brine Well Test Procedure Guidance Document" for this November 26 through November 30, 2001. Please have your well ready for testing on the date and time you are scheduled. Please refer to the Well Test Schedule attached for the **Type of Test** you are scheduled to perform. You must receive prior OCD approval to alter the scheduled time or type of test.

What's New!! Please note that operators are required to have their pressure recording devices calibrated to 500 psig and 8-hour clock. See Guidance Document attached.

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

PLAINS ALL AMERICAN October 20, 2001
BW-12 & 27, 27A

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RETURN RECEIPT NO. 5357 7539

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What's New!! Please note that operators are required to have their pressure recording devices calibrated to 500 psig and 8-hour clock. See Guidance Document attached.

What's New!! All operators will provide to the OCD the maximum test pressure that will not cause formation fracturing or system failures.

Operators will be responsible for providing equipment and shall bear all costs incurred. All tests must be witnessed by the New Mexico Oil Conservation Division. Operators failing to abide by the procedures, type of test, and time schedules listed herein may be required to shut-in their systems until OCD has an opportunity to approve and witness testing.

If you require any further information or assistance please do not hesitate to write or call me at 505-476-3487 or E-mail WPRICE@state.nm.us.

Sincerely Yours,

Wayne Price

Wayne Price- Senior Envr. Engr..
Environnemental Bureau

cc: OCD District Offices

Attachments-
1. OCD Brine Well Test Schedule November 2001
2. Brine Well Testing Procedure Guidance Document

Brine Well Testing Procedure Guidance Document

1) The cavern and all piping must be filled, pressured up and stabilized for a period of at least 24 hours prior to testing. If this test requires a packer then casing/tubing annulus must be loaded with inert fluid 24 hours prior to testing.

2) Have manpower and equipment available for pressure test. Wellhead shall be prepared for test and all valves and gauges should be in good working order.

3) Pumps, tanks, external lines etc. must be isolated from the wellhead during test.

4) A continuous recording pressure device with an 8-hour clock (min) shall be installed on the casing/tubing annulus. The pressure range shall not be greater than 500 psig. The operator must provide proof that the pressure-recording device has been calibrated within the past 6 months. **Note: Wells with packer installed: If this test requires both the casing/tubing annulus and cavern to be tested then two recording devices must be supplied or one recording device with two pins.**

5) A minimum of one pressure gauge shall be installed on the casing/tubing annulus.

6) OCD must witness the beginning of test (putting chart on) and ending of test (removing chart). At the end of test operator may be required to bleed-off well pressure to demonstrate recorder and gauge response.

7) The Operator will supply the following information on the pressure chart:

   A. Company Name, Well Name, API #, Legal Location.
   B. Test Procedure (1) Casing + Formation (2) Casing Test Only (3) Both (4) Other
   C. Testing Media: Water, Gas, Oil, Etc.
   D. Date, time started and ending.
   E. Name (printed) and signature of company representative and OCD Inspector

8) <u>TEST ACCEPTANCE:</u> The OCD will use the following criteria in determining if a well has passed the Mechanical Integrity Test:

   A. <u>Passes</u> if Zero Bleed-Off during the test.
   B. <u>Passes</u> if Final Test Pressure is within ± 1% of Starting Pressure, if approved by the OCD inspector.
   C. <u>Fails</u> if any Final Test Pressure is greater than ± 1% of Starting Pressure. Operators must investigate for leaks and demonstrate that mechanical integrity of the well(s) by ensuring there are no leaks in the tubing, casing, or packer, and injected/produced fluids are confined within the piping and injection zones. Wells shall not resume operations until approved by OCD.

Note: **OCD recognizes that different operations, well designs, formation characteristics and field conditions may cause variations in the above procedures. If operator wishes to make or anticipate changes please notify the OCD for approval. All operators are responsible to notify OCD of any procedure that may cause harm to the well system or formation. Please be advised that OCD approval does not relieve any operator of liability should operations result in pollution of surface water, groundwater, or the environment.**

OCD BRINE WELL TESTING SCHEDULE 2001 — OCD Contact Wayne Price cell 505-660-1067

Company	DP#	Facility Name		Date of Test	Start	Stop		Type of Test(s) Required	Contact Person	Telephone	FAX #/cell
		Crossroads Area									
Steams Inc.	BW-013	Crossroads	Mon	26-Nov-01	12 noon	4:00 PM	2	Pressure test cavern	L.A. Steams	1-505-675-2358	1-505-675-2339
		Loco Hills Area									
Marbob Brine Well	BW-029	M. Dodd "A" BW#1	Tue	27-Nov	9:00 AM	1:00 PM	2	Pressure test cavern	Doyle Davis	748-5975 cell	1-505-748-2523
Jims Water Ser.	BW-005	SE of Artesia	Tue	27-Nov	10:00 AM	2:00 PM	*	Pressure test cavern or casing	Sammy Stoneman	1-505-748-1352	1-505-748-3227
								* 1,2 or 3			
		Hobbs Area									
Key Energy	BW-018	Truckers #2 (Hobbs)	Wen	28-Nov-01	8:00 AM	12 noon	2	Pressure test cavern	Royce Crowell	(505) 393-9171	505-910-4185
Scurlock-Permian	BW-012	Hobbs Station	Wen	28-Nov-01	9:00 AM	1:00 PM	2	Pressure test cavern	Richard Lentz	505-392-8212	392-6988
Zia Transportation	BW-018	Salty Dog-Ark Jct	Wen	28-Nov-01	10:00 AM	2:00 PM	2	Pressure test cavern	Piter Bergstein	806-741-1080	
Marathon Brine St	BW-015	Marathon Road	Wen	28-Nov-01	11:30 AM	3:30 PM	1	Pressure Test Casing	CW Trainer		
		Eunice Area									
P&S Brine	BW-002	Eunice Brine Station	Thur	29-Nov-01	8:00 AM	12 noon	2	Pressure test cavern	Dink Prather	505-394-2545	394-2426
Key Simms-McCasland	BW-009A	Eunice Brine Station	Thur	29-Nov-01	9:00 AM	1:00 PM	2	Pressure test cavern	Royce Crowell	(505) 393-9171	505-910-4185
Yale E. Key (Old Goldstar)	BW-028	Eunice Brine Station	Thur	29-Nov-01	10:00 AM	2:00 PM	2	Pressure test cavern	Royce Crowell	1-505-394-2504	1-505-394-2560
		Carlsbad Area									
I & W	BW-06	Carlsbad -Euginie	Fri	30-Nov-01	8:00 AM	12 noon	2	Pressure test cavern	George Parchman	505-885-8683	885-8477
Key Energy-Carlsbad	BW-019	Rowland Truckers	Fri	30-Nov-01	9:00 AM	1:00 PM	2	Pressure test cavern	John Hutcheson	1-505-885-2053	cell 390-1833
Scurlock/Permian	BW-027 &27A	Carlsbad Brine St.	Fri	30-Nov-01	10:00 AM	2:00 PM	2	Pressure test cavern	Richard Lentz	505-392-8212	392-6988
		Wells Already Tested in 2001									
Gandy	BW-04	Wasserhund-Edison									
Gandy	BW-22	Tatum Brine St.									
Ray Westall	BW-21	Loco Hills Brine St.									
		Wells Being Repaired-									
Chaparral SWD	BW-25	Salado Brine #2- Jal									

Notes:

Type of Pressure Test:

1. Casing Test — Isolate cavern formation from the casing/tubing annuals and hydrostatic fluid pressure test the casing at 300 psig for 30 minutes.
2. Open Hole Cavern Pressure Test — Open hole cavern formation pressure test by pressuring up the formation with fluid to one and one-half times the normal operating pressure or 300 psig whichever is greater for four hours. Operators shall not exceed surface pressures that may cause formation fracturing or system failures. OCD prior to test shall approve test pressures below 300 psig and methods that use media other than fluids. Brine supply wells operating with packers will have to pressure both the cavern formation and casing/tubing annuals.
3. Others — Nitrogen-Brine Interface Test, Nitrogen Test, Etc.

American
Valve & Meter Service
1115 W. DUNHAM, HOBBS, N.M.

P.O. BOX 1667

505 393-5478

TO Plains Marketing DATE 12-7-00

THIS IS TO CERTIFY THAT:

I, Tony Flores, METER TECHNICAN FOR AMERICAN VALVE & METER SERVICE, HAS CHECKED THE CALIBRATION ON THE FOLLOWING INSTRUMENT 8" 0-500# pressure recorder SERIAL NUMBER _____ AT THESE POINTS.

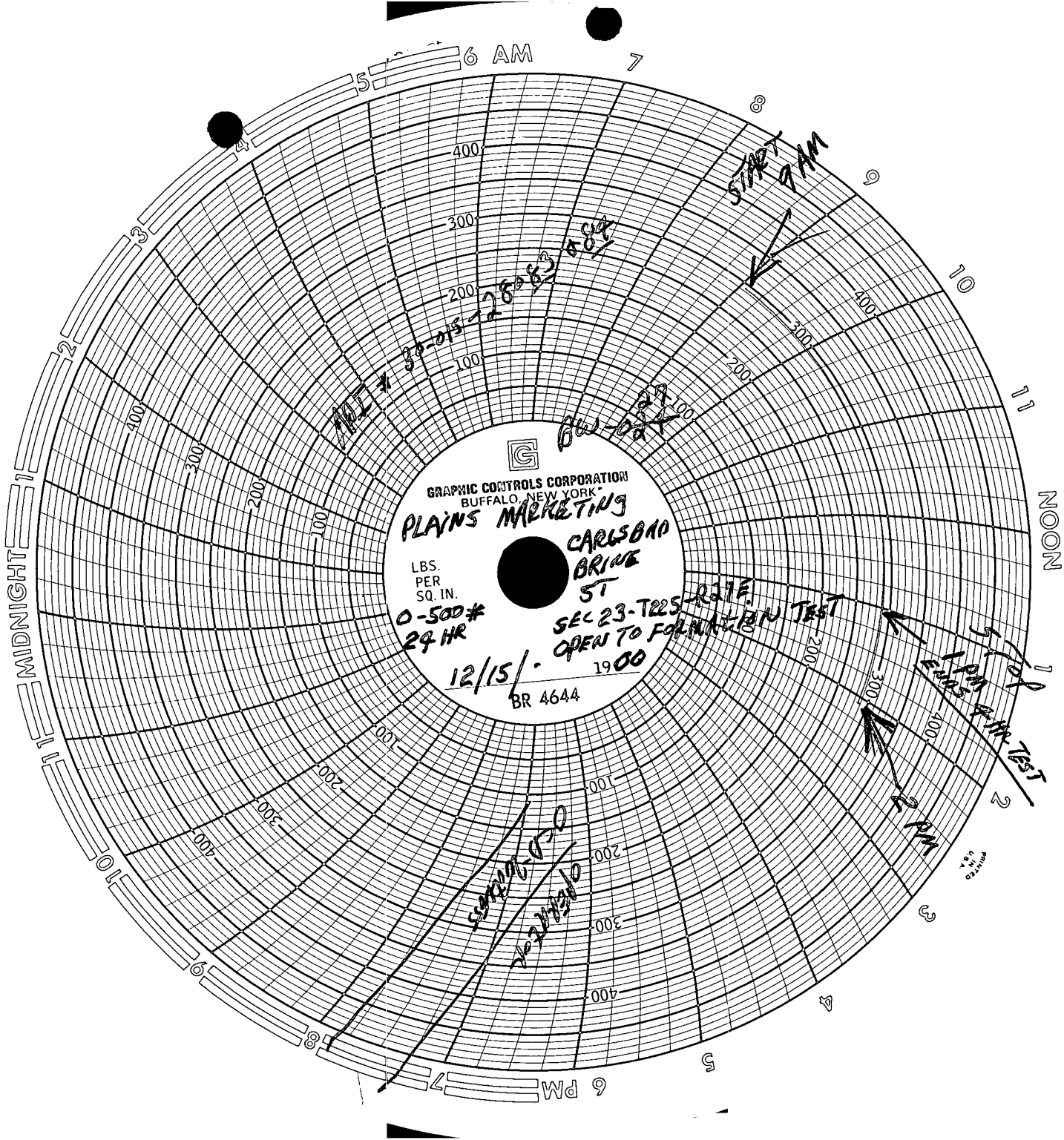
TEMPERTURE _____ P.S.I. 0-500#

TEST	AS FOUND	AS LEFT

TEST	AS FOUND	AS LEFT
100	90	100
200	190	200
300	290	300
400	390	400
500	490	500

REMARKS:

SIGNED: Tony Flores


GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
PLAINS MARKETING
CARLSBAD BRINE ST
LBS. PER SQ. IN.
0-500#
24 HR
SEC 23-T22S-R27E. EDDY CO. NM
OPEN TO FORMATION TEST
12/15/ 1900
BR 4644
START 9 AM
STOP 1 PM
1 PM
MIDNIGHT
NOON
6 AM
6 PM

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

October 20, 2000

CERTIFIED MAIL
RETURN RECEIPT NO. 5051 4416 BW-027 S-P

Attention: Brine Well Operators

Re: Mechanical Integrity Testing of Brine Supply Wells

The Underground Injection Control Program of the Federal Safe Drinking Water Act requires that operators demonstrate mechanical integrity of all injection wells by ensuring there are no leaks in the tubing, casing, or packer, and injected/produced fluids are confined within the piping and injection zones.

The Oil Conservation Division (OCD) requires operators of brine supply wells to perform the following mechanical integrity tests:

1. At least once every five years isolate the cavern formation from the casing/tubing annuals and hydrostatic fluid pressure test the casing at 300 psig for 30 minutes. New brine wells and wells being worked over will have to be tested in this manner before operations begin.

2. Annually perform an open hole cavern formation pressure test by pressuring up the formation with fluid to one and one-half times the normal operating pressure or 300 psig whichever is greater for four hours. Operators shall not exceed surface pressures that may cause formation fracturing or system failures. OCD prior to test shall approve test pressures below 300 psig and methods that use media other than fluids. Brine supply wells operating with packers will have to pressure both the cavern formation and casing/tubing annuals.

Please find enclosed an "OCD Brine Well Test Schedule December 2000" and "Brine Well Test Procedure Guidance Document" for this December 8th through 18th 2000. Please have your well ready for testing on the date and time you are scheduled. Please refer to the Well Test Schedule attached for the **type of test** you are scheduled to perform. You must receive prior OCD approval to alter the scheduled time or type of test.

Operators will be responsible for providing equipment and shall bear all costs incurred. All tests must be witnessed by the New Mexico Oil Conservation Division. Operators failing to abide by the procedures, type of test, and time schedules listed herein may be required to shut-in their systems until OCD has an opportunity to approve and witness testing.

If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155).

Sincerely Yours,

Wayne Price

Wayne Price-Pet. Engr. Spec.
Environmental Bureau

cc: OCD District Offices

Attachments- 1. OCD Brine Well Test Schedule December 2000.
2. Brine Well Testing Procedure Guidance Document.

OCD BRINE WELL TEST SCHEDULE December of 2000

Company	DP#	Facility Name	Date of Test	Start	Stop	Type of Test(s) Required	Contact Person	Telephone	FAX #
Marbob Brine Well	BW-029	M. Dodd "A" BW#1	December 08, 2000	1:00 PM	5:00 PM	2 Pressure test cavern	Doyle Davis Raye Miller	748-5975 cell 748-3303	1-505-746-2523
P&S Brine	BW-002	Eunice Eunice Water ST.	December 11, 2000	8 am	12 noon	2 Pressure test cavern	Paul Prather	1-505-394-2545	1-505-394-2426
Simms-McCasland	BW-009A	Eunice Brine Station	December 11, 2000	9:30 am	1:30 pm	2 Pressure test cavern	Bob Patterson	1-505-394-2581	1-505-394-2584
Salty Dog, Inc.	BW-008	Arkansas-Jct	December 11, 2000	11 am	3 pm	2 Pressure test cavern	Mr. Piter Bergstein Walter Brisco	1-806-741-1080	
Steams Inc.	BW-013	Crossroads	December 12, 2000	8:00 AM	12 noon	2 Pressure test cavern	L.A. Steams	1-505-675-2356	1-505-675-2339
Gandy Corp.	BW-022	Tatum Water St.	December 12, 2000	9:00 AM	1:00 PM	2 Pressure test cavern	Larry Gandy	1-505-398-4960	cell 369-5721
Key Energy	BW-018	Truckers #2 (Hobbs)	December 12, 2000	10:30 AM	2:30 PM	2 Pressure test cavern	Pete Turner	1-505-397-4994	1-505-393-9023
I&W Trucking	BW-006 &6A	Carlsbad Yard	December 13, 2000	8:00 AM	12 noon	2 Pressure test cavern	~~George Perahman~~ EUGENE IRVY	1-505-885-6663	1-505-885-8477
Loco Hills Brine	BW-021	Loco Hills	December 13, 2000	1:30 PM	5:30 PM	2 Pressure test cavern	D. Maloney or R. Harris	1-505-677-2370	1-505-677-2361
Goldstar	BW-028	Eunice Brine Station	December 14, 2000	9:30 am	1:30 pm	2 Pressure test cavern	Royce Crowell	1-505-394-2504	1-505-394-2560
~~Quality Oil (Salado Brine Sales)~~ CHAPAL CBR INC	BW-025	Salado Brine St. #2	December 14, 2000	11am	3 pm	2 Pressure test cavern	see P&S		
Key Energy-Carlsbad	BW-019	Rowland Truckers	December 15, 2000	8:00 AM	12 noon	2 Pressure test cavern	John Hutcheson		1-505-887-3011
Scurlock/Permian	BW-027 &27A	Carlsbad Brine St.	December 15, 2000	9:00 AM	1:00 PM	2 Pressure test cavern	Jim Ephraim	1-713-672-8092	1-713-672-7609
Jims Water Ser.	BW-005	SE of Artesia	December 15, 2000	10:30 AM	2:30 PM	2 Pressure test cavern	Sammy Stoneman	1-505-748-1352	1-505-746-3227
Scurlock-Permian	BW-012	Hobbs Station	December 18, 2000	8:00 AM	12 noon	2 Pressure test cavern	Richard Lentz	1-505-392-8212	1-505-392-6988
Gandy- WasserHaun	BW-004	Buckeye St.	December 18, 2000	9:00 AM	1:00 PM	2 Pressure test cavern	Larry Gandy	1-505-398-4960	cell 369-5721

CALL MAIL

4515

4485 4454

4478

4508

4447

4423

4492

4454

4413

5051 4416 4430

5051 4416 - 4447

5051 4409 4461

Notes:

Type of Pressure Test:

1 Casing Test — Isolate cavern formation from the casing/tubing annuals and hydrostatic fluid pressure test the casing at 300 psig for 30 minutes.

2 Open Hole Cavern Pressure Test — Open hole cavern formation pressure test by pressuring up the formation with fluid to one and one-half times the normal operating pressure or 300 psig whichever is greater for four hours. Operators shall not exceed surface pressures that may cause formation fracturing or system failures. OCD prior to test shall approve test pressures below 300 psig and methods that use media other than fluids. Brine supply wells operating with packers will have to pressure both the cavern formation and casing/tubing annuals.

3 Others — Nitrogen-Brine Interface Test, Nitrogen Test, Etc.

Brine Well Testing Procedure Guidance Document

1) The cavern and all piping must be filled, pressured up and stabilized for a period of at least 24 hours prior to testing. If this test requires or utilizes a packer then the casing/tubing annulus must be loaded with inert fluid 24 hours prior to testing.

2) Have manpower and equipment available for pressure test. Well head shall be prepared for test and all valves and gauges should be in good working order.

3) Pressure devices i.e pumps, truck pumps, etc. must be isolated from the well head during test.

4) A continuous recording pressure chart with an 8 hour clock shall be installed on the casing/tubing annulus, as directed by the OCD, with a pressure range of not greater than 500 psig. The operator must provide proof that pressure recording device has a range of 0-500 psig and has been calibrated within the past 6 months. Wells, with isolation packers installed, which requires both the casing/tubing annulus and cavern to be tested will require two recording devices or one recording device with two pins. Operators may utilize other types of pressure recording devices, such as electronic data loggers, etc., if approved by OCD.

5) A minimum of one pressure gage shall be installed in the system as directed by OCD.

6) OCD must witness the beginning of test (putting chart on) and ending of test (removing chart). At the end of test operator may be required to bleed-off pressure to demonstrate recorder response.

7) **The Operator will supply the following information on the pressure chart before starting test:**

   1. Company name, discharge plan #, well name and number, legal location UL, section, township, range and county.
   2. Type of Test: Open Hole, Casing Test, or Both.
   3. Date, time test started, time stop.
   4. Chart and Recorder information. (can be attached)
   5. Normal operating surface and formation fracture pressure. (can be attached)
   6. **After Test Completed:**
      Name (printed) and signature of company representative and OCD inspector.

Note: NMOCD recognizes that different operations, well constructions, well designs and field conditions may cause variations in the above procedures. Operator is responsible to notify OCD of any procedure that may cause harm to the well or formation. If operator wishes to make or anticipate changes you must notify the OCD for approval.

American Valve & Meter Service

1113 W. BROADWAY, HOBBS,N.M. 88240
P.O. BOX 1667, PHONE 505-393-578

TO Lovelock Permian DATE: 10-26-99

THIS IS TO CERTIFY THAT:

I, Jesse Burg METER TECHICAN FOR AMERICAN VALVE, INC., HAS CHECKED THE CALIBRATION ON THE FOLLOWING INSTRUMENT. Barton 1000# pressure recorder SEIAL NUMBER _____

AT THESE POINTS.

TEMPERTURE _____ P.S.I. 0-1000#

TEST	AS FOUND	AS LEFT

TEST	AS FOUND	AS LEFT
0	0	0
500	500	500
1000	1000	1000
700	700	700
300	300	300
0	0	0

REMARKS: _____

SIGNED: Jesse Burg

American Valve & Meter Service

1113 W. BROADWAY, HOBBS,N.M. 88240
P.O. BOX 1667, PHONE 505-393-578

TO Sherlock Services DATE: 10-26-99

THIS IS TO CERTIFY THAT:

I, Jesse Young METER TECHICAN FOR AMERICAN VALVE, INC., HAS CHECKED THE CALIBRATION ON THE FOLLOWING INSTRUMENT. Mat Sco

0-1000# Pressure Recorder SEIAL NUMBER _____

AT THESE POINTS.

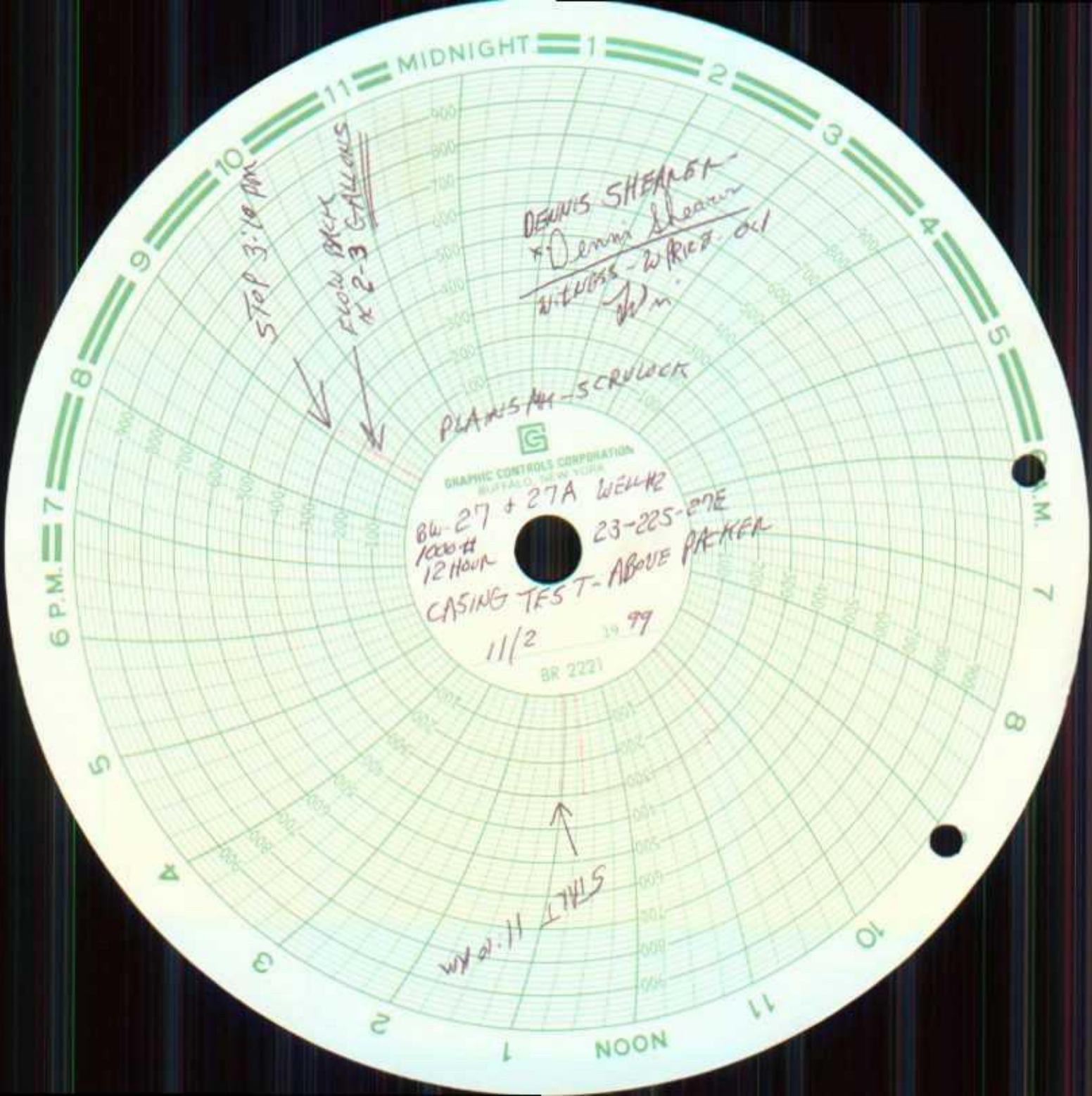
TEMPERTURE _____ P.S.I. 0-1000#

TEST	AS FOUND	AS LEFT

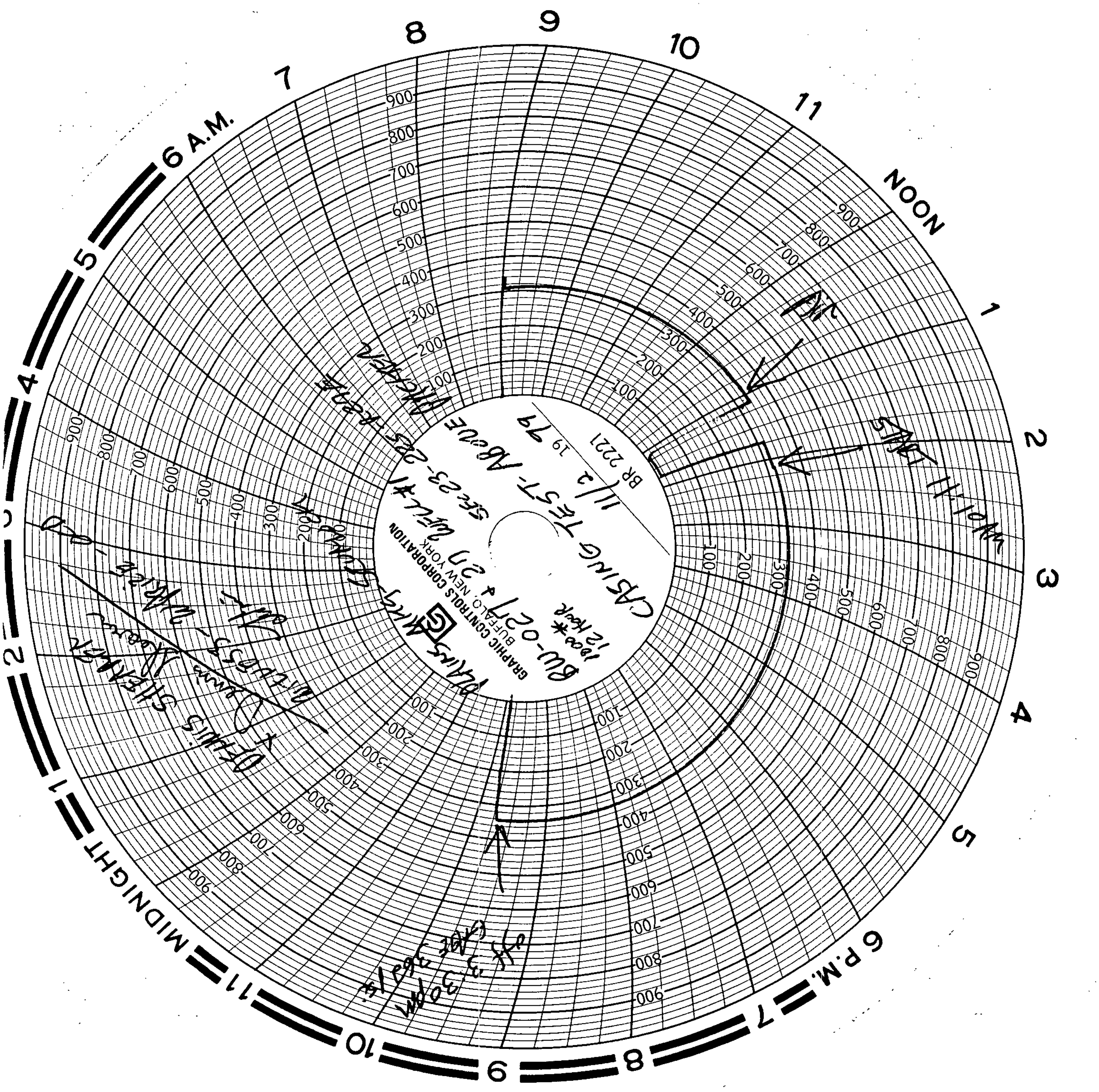
TEST	AS FOUND	AS LEFT
0	0	0
500	500	500
1000	1000	1000
700	700	700
300	300	300
0	0	0

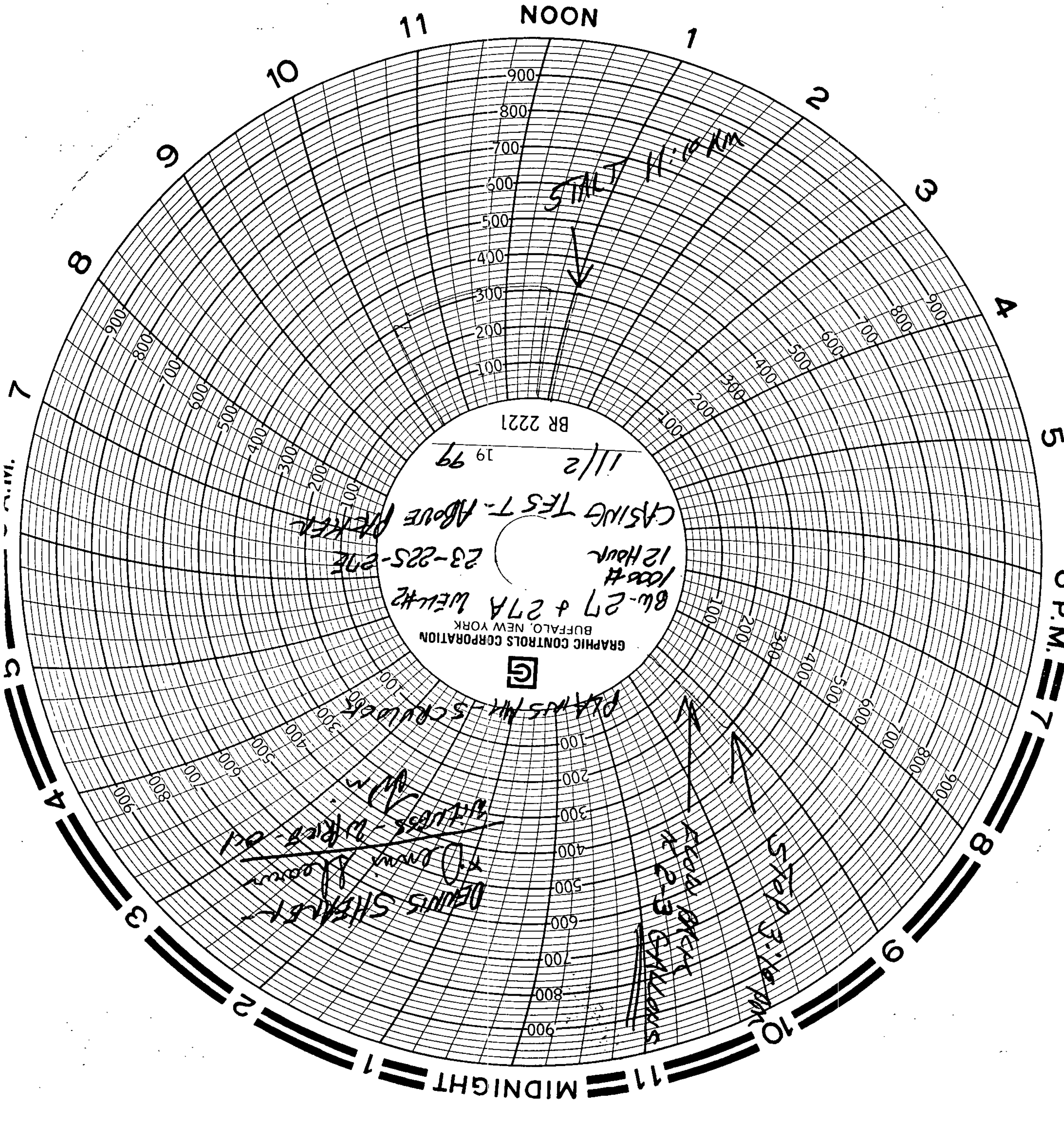
REMARKS: _____

SIGNED: Jesse Young


MIDNIGHT
NOON
6 P.M.
A.M.
Stop 3:10 PM
Flow Back
#2-3 Gallons
DENNIS SHEARER
*Dennis Shearer
W. LUCAS - WRIGHT OIL
PLANS M-SCRULOCK
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
BW-27 + 27A WELLS
1000 #
12 Hour
23-225-ONE
CASING TEST - ABOVE PACKER
11/2
19 99
BR 2221
WY 01.11 1745

MIDNIGHT
6 A.M.
NOON
6 P.M.
GRAPHIC CONTROLS CORPORATION
BUFFALO NEW YORK
BR 2221
DENNIS SHEARER
PLAINS MKG-SCURLOCK
BW-027 + 27 WELL #1
SEC 23-22S-R27E
1000# 12 HOUR
CASING TEST-ABOVE PACKER
11/2


BR 2221
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
CASING TEST - Above
11/3 19 79
BW-027 + 20 Well #1
SEC 23-28S-R29E
1000 # 12 hour
NOON
6 A.M.
6 P.M.
MIDNIGHT



NOON
6 P.M.
MIDNIGHT
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
BR 2221
11/2 19 99
CASING TEST - ABOVE PACKER
23-22S-27E
12 Hour
1000#
BW-27 + 27A WELL #2
START 11:10 AM
STOP 3:10 PM

NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Fax: 1-505-392-6988

October 19, 1999

Mr. Richard Lentz
Scurlock Permian Corporation
3514 Lovington Hwy.
Hobbs, New Mexico 88240

Re: Mechanical Integrity Testing of Brine Supply Wells.

This is a reminder that New Mexico Oil Conservation Division (NMOCD) will be witnessing mechanical integrity test for all brine supply wells during the time period between October 25 through November 2, 1999. A schedule was sent to each operator on September 11, 1999. Please note that if you were scheduled to "isolate the cavern and pressure test casing, and run a cavern survey", you will have the option this time to defer this procedure and just perform the annual open hole pressure test, however no bleed-off will be allowed. The NMOCD will notify you when these other conditions will be required.

Please have your well(s) ready for testing on the date and time you are scheduled. If there is some emergency which interferes with the scheduled date and time please call and notify NMOCD.

Failure to notify NMOCD may result in your operations being suspended until testing is complete.

If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155) or notify Mr. Roger Anderson at (505-827-7152).

Sincerely Yours,

Wayne Price-Pet. Engr. Spec.
Environmental Bureau

NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

September 11, 1999

CERTIFIED MAIL
RETURN RECEIPT NO. Z 357 870 147

Mr. Richard Lentz
Scurlock Permian Corporation
3514 Lovington Hwy.
Hobbs, New Mexico 88240

Re: Mechanical Integrity Testing of Brine Supply Wells

Dear Mr. Richard Lentz:

The Underground Injection Control Program of the Federal Safe Drinking Water Act requires that operators demonstrate mechanical integrity of all injection wells by ensuring there are no leaks in the tubing, casing, or packer, and injected/produced fluids are confined within the piping and injection zones.

The Oil Conservation Division (OCD) requires operators of brine supply wells to perform the following mechanical integrity test:

1. At least once every five years isolate the cavern formation from the casing/tubing annuals and pressure test the casing at 300 psig for 30 minutes. New brine wells and wells being worked over will have to be tested in this manner before operations begin.

2. Annually perform an open hole cavern formation pressure test by pressuring up the formation one and one-half times the normal operating pressure (not to exceed formation fracture pressure) or 300 psig whichever is greater for four hours. Brine supply wells operating with packers will have to pressure both the cavern formation and casing/tubing annuals.

Please find enclosed an OCD Brine Well Test Schedule and Test Procedure for this Fall October 25, 1999 through November 2, 1999. Please have your well ready for testing on the date and time you are schedule. Operators will be responsible for providing equipment and shall bear all costs incurred. All test must be witnessed by the New Mexico Oil Conservation Division.

If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155).

Sincerely Yours,

Wayne Price

Wayne Price-Pet. Engr. Spec.
Environmental Bureau

cc: OCD District Offices
attachments- OCD Brine Well Test Schedule & Brine Well Testing Procedure Guidance Document

OCD BRINE WELL TEST SCHEDULE FALL OF 1999

Company		DP#	Facility Name	Date of Test	Start	Stop	Type of Test(s) Required
P&S Brine	**	BW-002	Eunice Eunice Water ST.	October 25 1999	8 am	12 noon	Isolate cavern & pressure test casing + Cavern survey***
Simms-McCasland	**	BW-009A	Eunice Brine Station	October 25 1999	9:30 am	1:30 pm	Isolate cavern & pressure test casing + Cavern survey***
Goldstar		BW-028	Eunice Brine Station	October 25 1999	11 am	3 pm	Pressure test cavern
Key Energy	**	BW-018	Rowland Truckers #2	October 26 1999	8 am	12 noon	Pressure test cavern + Cavern survey***
Scurlock-Permian	**	BW-012	Hobbs Station	October 26 1999	9:30 am	1:30 pm	Isolate cavern & pressure test casing + Cavern survey***
Salty Dog, Inc.	**	BW-008	Arkansas-Jct	October 26 1999	11 am	3 pm	Pressure test cavern + Cavern survey***
Quality Oil (Salado Brine Sales)	**	BW-025	Salado Brine St. #2	October 27 1999	8 am	12 noon	Isolate cavern & pressure test casing + Cavern survey***
Conoco	**	BW-001	Warren -McKee #3	October 27 1999	1:30 pm	5:30 pm	Isolate cavern & pressure test casing
Conoco	**	BW-001	Warren -McKee #4	October 27 1999	1:30 pm	5:30 pm	Isolate cavern & pressure test casing
[illegible]lity Brine		BW-022	Tatum Water St.	October 28 1999	9 am	1 pm	Pressure test cavern
[illegible]neth Tank Service		BW-013	Crossroads	October 28 1999	11 am	3 pm	Pressure test cavern
WasserHaun		BW-004	Buckeye	October 29 1999	9 am	1 pm	Pressure test cavern
Marathon Brine St.		BW-015	Marthon Road	October 29 1999	11 am	3 pm	Pressure test cavern
Loco Hills Brine		BW-021	Loco Hills	November 1 1999	9 am	1 pm	Pressure test cavern
Jims Water Ser.		BW-005	SE of Artesia	November 1 1999	11 am	3 pm	Pressure test cavern
J&W Trucking		BW-006 &6A	Carlsbad Yard	November 2 1999	8 am	12 noon	Pressure test cavern
Key Energy-Carlsbad		BW-019	Rowland Truckers	November 2 1999	9:30 am	1:30 pm	Pressure test cavern
Scurlock/Permian	**	BW-027 &27A	Carlsbad Brine St.	November 2 1999	11 am	3 pm	Isolate cavern & pressure test casing + Cavern survey***

Notes:

** Discharge Plan up for renewal

*** Cavern Surveys are Discharge Plan Requirments Companies have the option to perform now are at a later date approved by OCD.

NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Brine Well Testing Procedure Guidance Document

1) The cavern and all piping must be filled, pressured up and stabilized for a period of at least 24 hours prior to testing. If this test requires a packer then casing/tubing annulus must be loaded with inert fluid 24 hours prior to testing.

2) Have manpower and equipment available for pressure test. Well head shall be prepared for test and all valves and gauges should be in good working order.

3) Pressure devices i.e pumps, truck pumps, etc. must be isolated from the well head before and during test.

4) A continuous recording pressure chart with an 8 hour clock shall be installed on the casing/tubing annulus. The pressure range shall not be greater than 1,000 psig. The operator must provide proof that the recording device has been calibrated within the past 6 months. **Note: Wells with packer installed: If this test requires both the casing/tubing annulus and cavern to be tested then two recording devices must be supplied or one recording device with two pins.**

5) A minimum of one pressure gage shall be installed in the system.

6) OCD must witness the beginning of test (putting chart on) and ending of test (removing chart). At the end of test operator shall bleed-off pressure by 10% to demonstrate recorder response.

7) The following information shall be place on the chart:

   1. Date, time test started, time stop.
   2. Company name, Discharge Plan #, well name and number, legal location UL, section, township, range and county.
   3. Type of Test; Open hole, Casing Test, or Both.
   4. Printed name and signature of company representative and OCD representative.

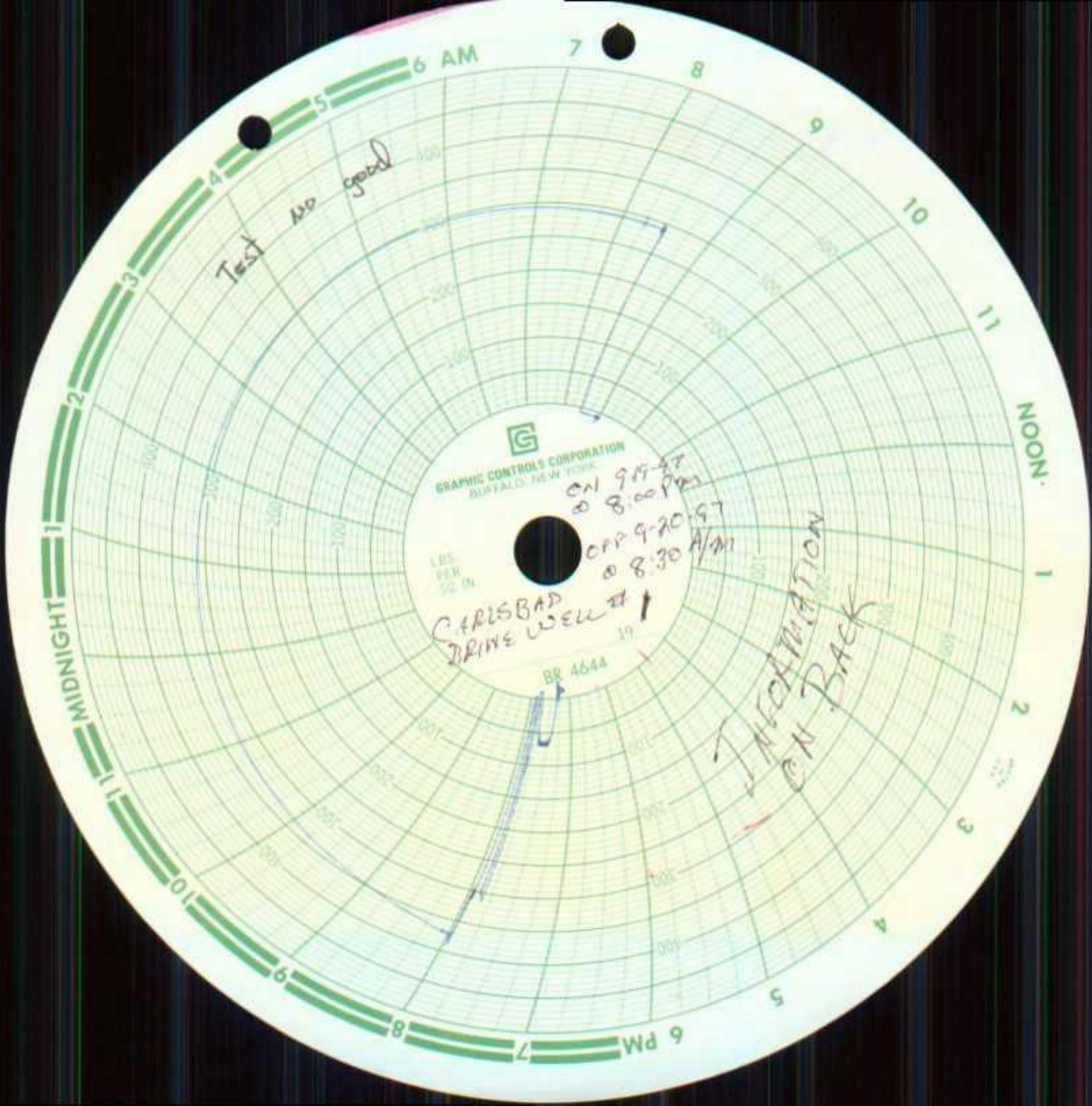
Note: NMOCD recognizes that different operations, well constructions and field conditions may cause variations in the above procedures. If operator wishes to make or anticipate changes please notify the OCD for approval.


MIDNIGHT
1
2
3
4
5
6 A.M.
7
8
9
10
11
NOON
1
2
3
4
5
6 P.M.
7
8
9
10
11
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
ON 9-19-97
@ 6:30 P/M
OFF 9-20-97
@ 9:00 A/M
CARLSBAD
BRINE WELL
2
BR 2221
INFORMATION ON
BACK

CARLSBAD BRINE WELL
#2 TESTED ON 9-19-97 @ 6:30 P/M
TEST OFF 9-20-97 @ 9 A/M
TEST FLUID FRESHWATER TREATED
WITH PACKER FLUID

TESTER BY
SCHLUMBERGER/PERMIAN
RICHARD DAINS
WITNESSED BY
EUNICE WELL SERVICE
Raymond L. Greene


MIDNIGHT
NOON
6 P.M.
6 A.M.
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
BR 2221
Carlsbad
Brine Well #7
Schlock Permian
23-22-27
Retest
Dennis Shaw
12-15-97


6 AM
NOON
6 PM
MIDNIGHT
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
Test no good
ON 9-19-97
@ 8:00 PM
OFF 9-20-97
@ 8:30 A/M
CARLSBAD
BRINE WELL #1
BR 4644
INFORMATION
ON BACK

CARLSBAD BRINE WELL

#1 TESTED ON 9-19-97 @ 8:00 P/M

TEST OFF 9-20-97 @ 8:30 A/M

TEST FLUID FRESH WATER TREATED WITH PACKER FLUID

TESTED BY
SCHLUMBERGER
RICHARD DAINS

WITNESSED BY
EUNICE WELL SERVICE
Raymond Greene (41)

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

MEMORANDUM OF MEETING OR CONVERSATION

☒ Telephone ☐ Personal	Time 12:30pm	Date 9-11-97
Originating Party: RICHARD LEWIS	Other Parties: MARK ASHLEY	

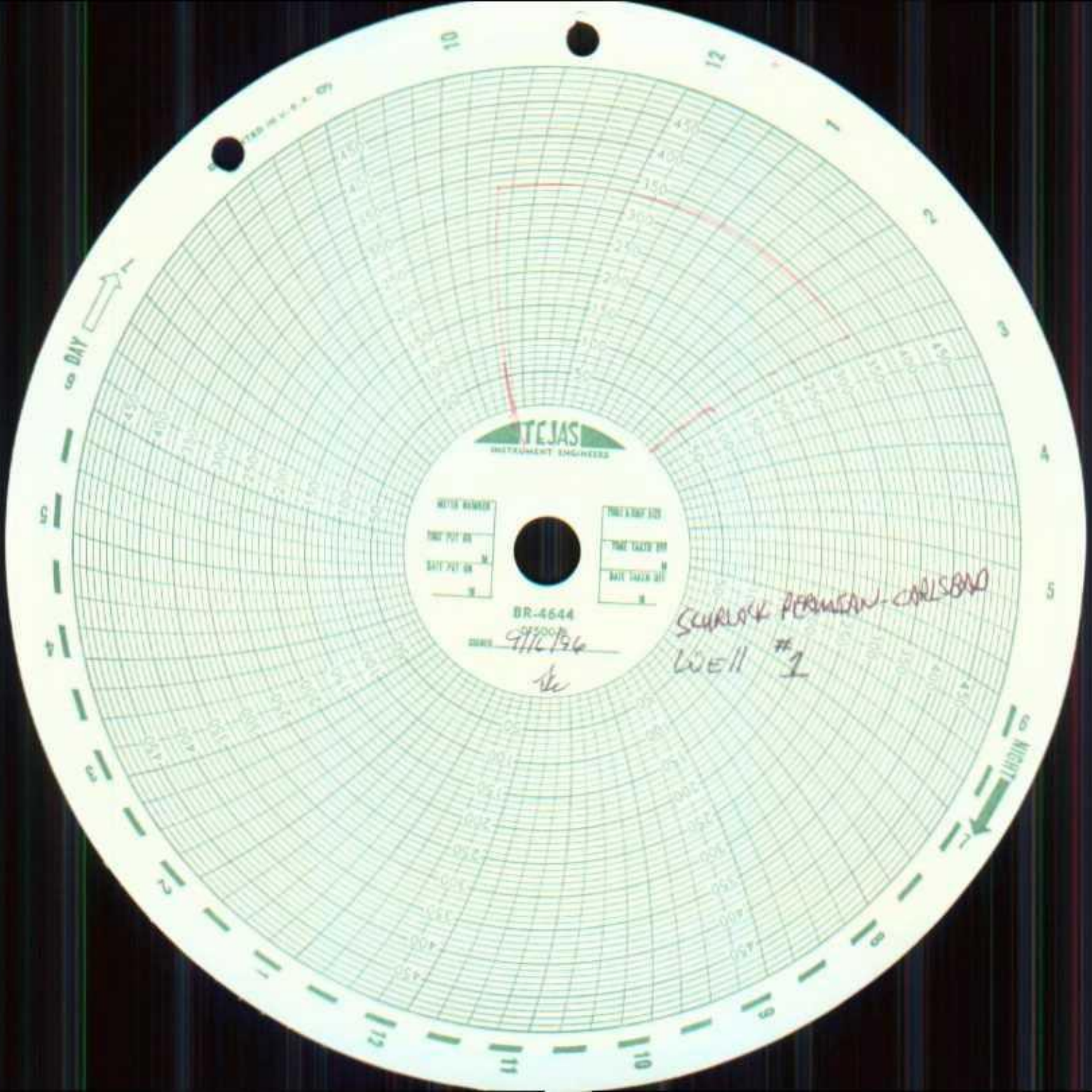
Subject: SCHLOCK PERMIAN, BRINE WELL, CARLSBAD, BW-27

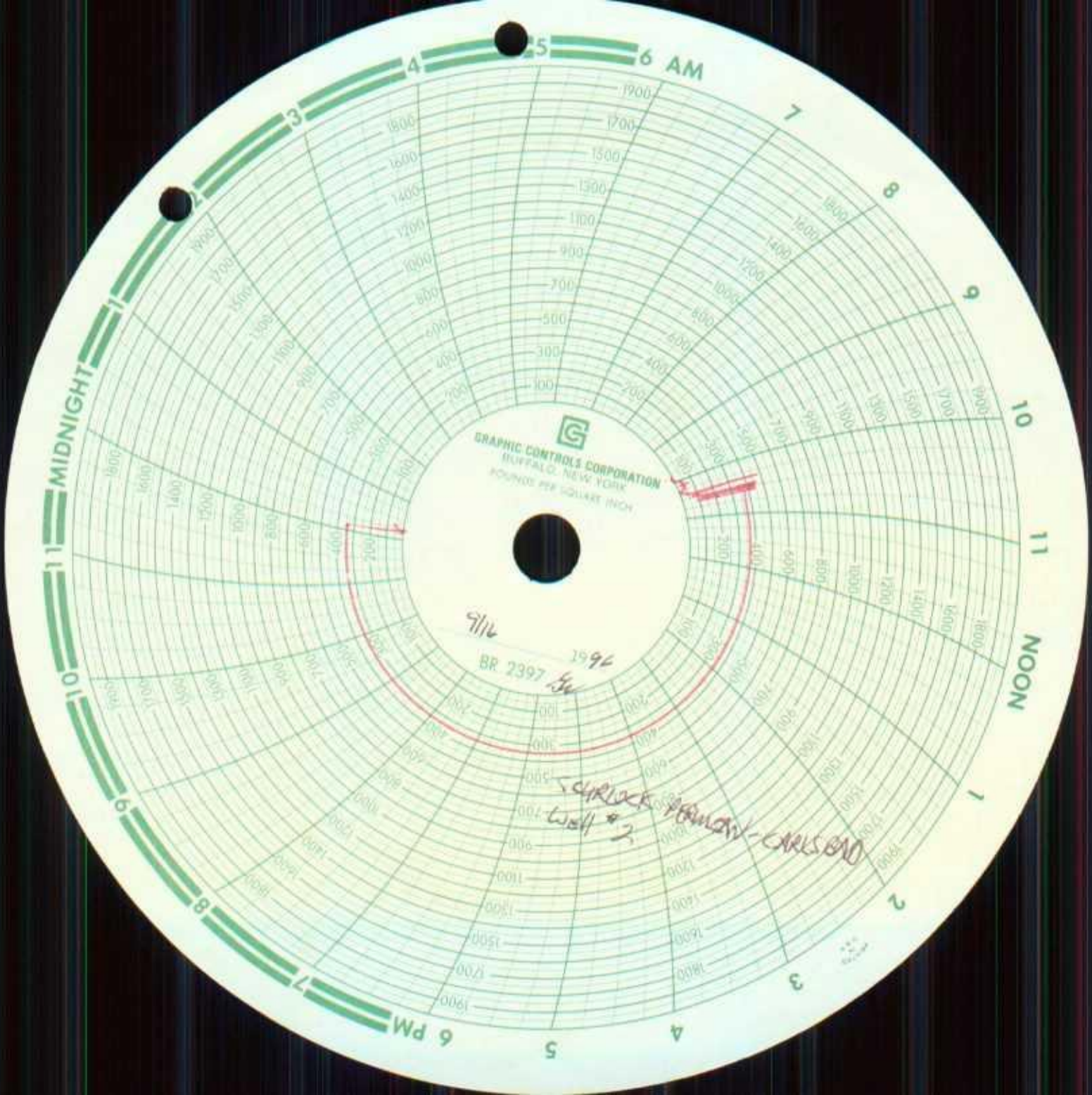
Discussion: #2 WELL WILL NOT HOLD PRESSURE.

Conclusions or Agreements: THEY WILL INJECT FRESH WATER IN #2 WELL UNTIL A PULLING UNIT CAN REPRESS OR REPLACE THE PACKER. OCD WILL POSTPONE THE TEST UNTIL PACKER IS FIXED

Distribution

Signed Mark Ashley


TEJAS
INSTRUMENT ENGINEERS
BR-4644
SCHLOCK PERMIAN-CARLSBAD
WELL #1
DAY
NIGHT


MIDNIGHT
6 AM
NOON
6 PM
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
POUNDS PER SQUARE INCH
9/12
1996
BR 2397
SCHRUCK PETROLEUM - CARLSBAD
Well #2

NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

October 3, 1996

Mr. Steward Rogers
Scurlock Permian Corporation
P.O. Box 4648
Houston, Texas 77210-4648

RE: Mechanical Integrity Testing of Brine Supply Wells

Dear Mr. Steward Rogers:

Enclosed is a copy of the mechanical integrity test conducted on your brine well. Please retain this copy for your records.

On behalf of the New Mexico Oil Conservation Division, I would like to thank you for your time and cooperation during the testing. If you have any questions, please contact me at (505) 827-7155.

Sincerely,

Mark Ashley
Geologist

Attachment

NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

August 16, 1996

Certified Mail
Return Receipt No. Z-765-962-973

Mr. Steward Rogers
Scurlock Permian Corporation
P.O. Box 4648
Houston, Texas 77210-4648

RE: Mechanical Integrity Testing of Brine Supply Wells

Annual Test
Carlsbad Brine Station BW-027
Eddy County, New Mexico

Annual Test
Hobbs Brine Station BW-012
Lea County, New Mexico

Dear Mr. Rogers:

The Underground Injection Control Program of the Federal Safe Drinking Water Act requires that operators demonstrate mechanical integrity of all injection wells by ensuring that there are no leaks in the tubing, casing, or packer, and that the injected fluid is confined within the injection zone through proper cementing.

All brine wells that operate without a packer will be required to have an annual open hole pressure test equal to 1.5 times the normal operating pressure or 300 psig, whichever is greater, for four hours with a maximum of 10 percent bleed-off allowed. Every five years or at the time of discharge plan renewals they will be required to have an open hole pressure test equal to 1.5 times the normal operating pressure or 300 psig, whichever is greater, for four hours with zero bleed-off.

All brine wells that operate with a packer will be required to have an annual casing/tubing annulus pressure test equal to 1.5 times the normal operating pressure or 300 psig, whichever is greater, for four hours.

Operators will be responsible for providing equipment and shall bear all costs incurred. The date and time of all tests will be scheduled and witnessed by the New Mexico Oil Conservation Division.

Please have the Carlsbad Brine Station ready for testing on September 16, 1996 at 7:30 AM, and the Hobbs Brine Station ready for testing on September 17, 1996 at 8:00 AM as outlined below.

For brine wells operating without a packer:

1) The cavern must be pressured up and stabilized for a period of at least 24 hours prior to testing.

2) The system shall be tested to 1.5 times the normal operating pressure or 300 psig, whichever is greater, for a period of four hours. A maximum of 10 percent bleed-off will be allowed for annual tests. Testing conducted every five years or at the time of discharge plan renewal will have zero bleed-off.

3) A continuous recording pressure chart with an 8 hour clock shall be installed on both the casing/tubing annulus and tubing. The pressure range shall not be greater than 1,000 psig.

4) Have well head prepared for test. All valves should be in good working order. All casing/tubing annulus and tubing valves shall be open.

5) All gauges shall be in good working order.

6) Have manpower and equipment available for pressure test.

For brine wells operating with a packer:

1) Have the casing/tubing annulus and tubing loaded with inert fluid prior to testing.

2) The casing/tubing annulus shall be tested to 1.5 times the normal operating pressure or 300 psig, whichever is greater, for four hours.

3) A continuous recording pressure chart with an 8 hour clock shall be installed on the casing/tubing annulus. The pressure range shall not be greater than 1,000 psig.

4) Have well head prepared for test. All valves should be in good working order.

5) All gauges shall be in good working order.

6) Have manpower and equipment available for pressure test.

If you have any questions regarding this matter, please feel free to contact me at (505) 827-7155.

Sincerely,

Mark Ashley
Geologist

Z 765 962 973

Receipt for Certified Mail
No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

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Return Receipt Showing to Whom, Date, and Addressee's Address	
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PS Form **3800**, March 1993