

Submit 1 Copy To Appropriate District
Office

District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
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

Revised August 1, 2011

| | |
|--|--|
| <p>WELL API NO. 30-025-28162</p> | |
| <p>5. Indicate Type of Lease STATE FEE</p> | |
| <p>6. State Oil & Gas Lease No.</p> | |
| <p>7. Lease Name or Unit Agreement Name Quality Brine Watson</p> | |
| <p>8. Well Number 001</p> | |
| <p>9. OGRID Number 130851</p> | |
| <p>10. Pool name or Wildcat</p> | |
| <p>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.)</p> | |
| <p>1. Type of Well: Oil Well Gas Well Other X Brine Well</p> | |
| <p>2. Name of Operator Wasserhund, Inc.</p> | |
| <p>3. Address of Operator P.O. Box 2140, Lovington, NM 88260</p> | |
| <p>4. Well Location Unit Letter M : 593 feet from the South line and 639 feet from the West line Section 20 Township 12S Range 36E NMPM Lea County</p> | |
| <p>11. Elevation (Show whether DR, RKB, RT, GR, etc.)</p> | |

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

| | | | |
|--|---|--|--|
| <p>NOTICE OF INTENTION TO:</p> | | <p>SUBSEQUENT REPORT OF:</p> | |
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON X | REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | |
| DOWNHOLE COMMINGLE <input type="checkbox"/> | | | |
| OTHER: <input type="checkbox"/> | | OTHER: <input type="checkbox"/> | |

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

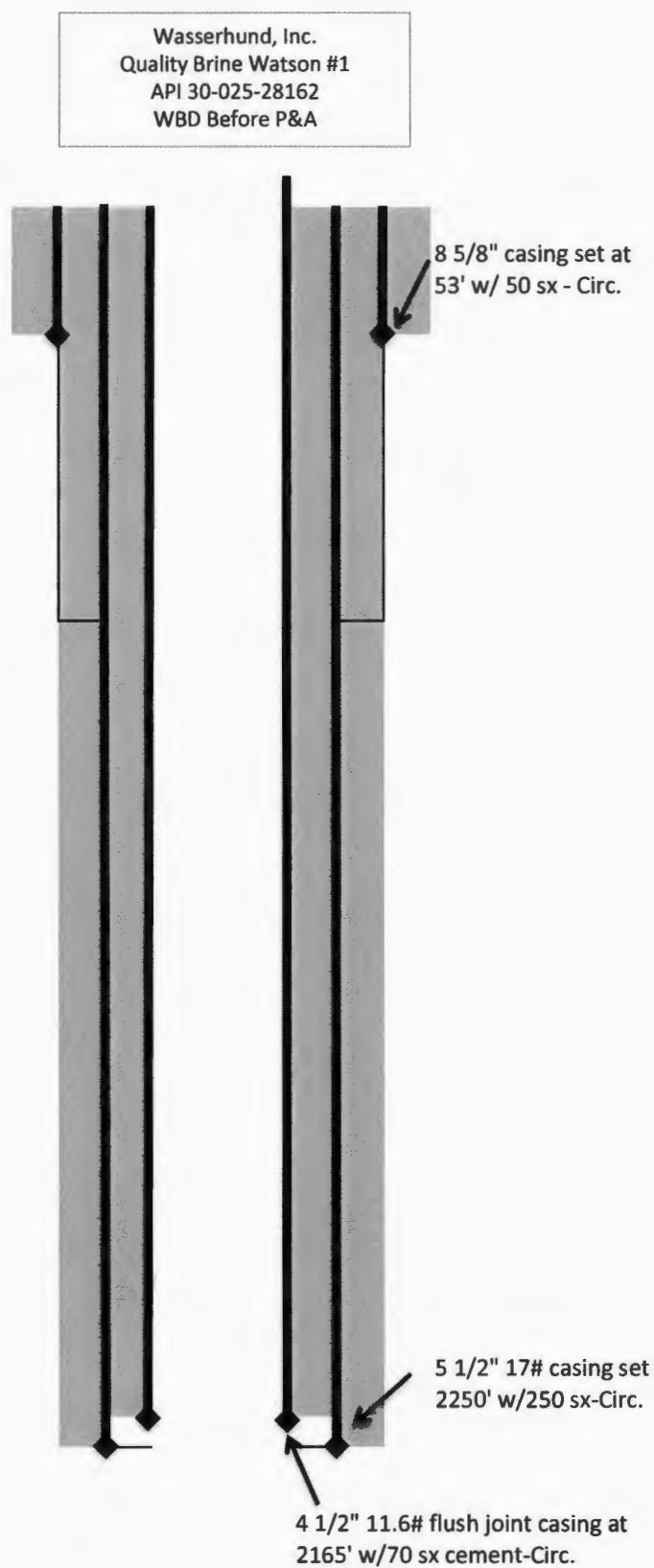
1. Move in rig up and POOH with tubing.
2. Make gauge ring run and set 4 1/2" CIBP at 2150'.
3. RIH with tubing and tag CIBP-record. Circulate hole and test casing 300 psig-30 min with calibrated chart recorder 1000 lb spring.
4. Spot 75 sx of neat Class "C" (14.8 Lbs/Gal 1.32 CuFt/Sk) cement on top of CIBP. WOC 4 hrs and tag.
5. Fill the rest of the wellbore to surface with Class "C" from the tag point.
6. Remove wellhead, insure cement is to surface in all strings of casing and install marker.

All Fluids Will Be Circulated to a Steel Pit

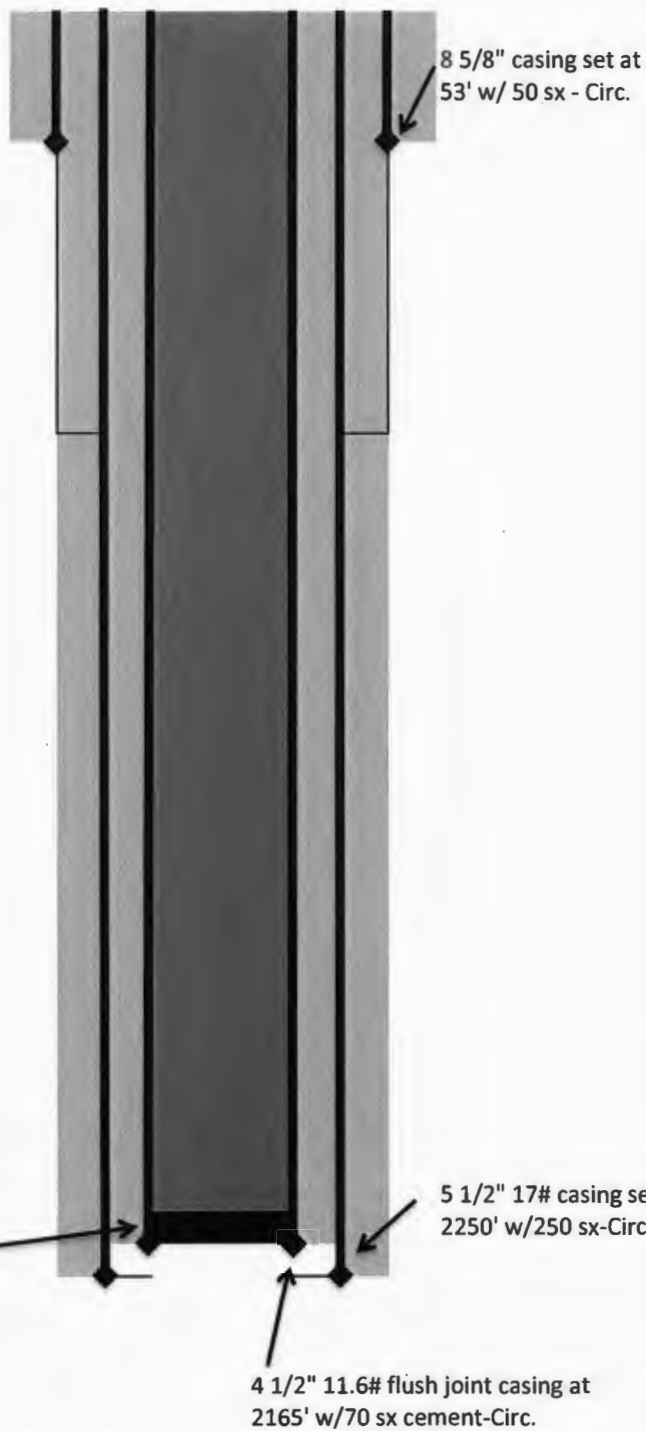
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Larry Gandy TITLE Partner DATE 4-11-19
Type or print name Larry Gandy E-mail address: Lgandy@egandycorporation.com PHONE: 575-394-0522
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____



Wasserhund, Inc.
Quality Brine Watson #1
API 30-025-28162
WBD After P&A



BW - 22

**CLOSURE
PLAN**

2019

Chavez, Carl J, EMNRD

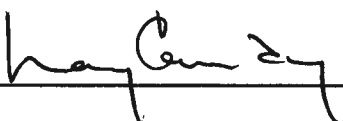
From: dcollins@gandycorporation.com
Sent: Friday, April 12, 2019 9:09 AM
To: Chavez, Carl J, EMNRD
Subject: [EXT] Tatum Brine Closure Plan
Attachments: Tatum Brine Station Closure Plan.pdf

Attached is the Tatum Brine Station Closure Plan.

WASSERHUND, INC.

BW-22

CLOSURE PLAN AND C-103



Larry Gandy

4-12-19.

Date

**PRE-CLOSURE NOTIFICATION, P&A AND CLOSURE PLAN
FOR:**

**WASSEHUND INC. OCD PERMIT BW-022
Quality Brine Watson Well No. 1" (API# 30-025-28162)**

20.6.2.5005 PRE-CLOSURE NOTIFICATION AND CLOSURE REQUIREMENTS:

A. Any person proposing to close a Class I, III, IV or V underground injection control well must submit pre-closure notification to the department at least 30 days prior to closure. Pre-closure notification must include the following information:

- (1) Name of facility.- "Quality Brine Watson Well No. 1" (API# 30-025-28162)**
 - (2) Address of facility.- UL: M Section 20 Township 12 South, Range 36 East, 593 FSL, 639 FWL, Lat. 33.25859°, Long. -103.33286° NAD83, NMPM, Lea County, New Mexico**
 - (3) Name of Owner/Operator.-Wasserhund Inc.**
 - (4) Address of Owner/Operator. P.O. Box 2140 Lovington, New Mexico 88260.**
 - (5) Contact Person.-Larry Gandy**
 - (6) Phone Number.-575-399-5721**
 - (7) Type of Well(s). In-situ Brine Well**
 - (8) Number of Well(s). One**
 - (9) Well Construction (e.g. drywell, improved sinkhole, septic tank, leachfield, cesspool, other...). – 53 ‘ of 8-5/8”conductor pipe cemented to surface; 2250’ of 5.5” casing cemented to surface; 2160’ of 4.5” casing cemented to surface; 2850’ of 2-3/8 tubing.-See attached Appendix I as built well bore diagram superimposed on well log.**
 - (10) Type of Discharge.-Contained Brine Water Production**
 - (11) Average Flow (gallons per day).- 200-300 barrels of brine water per month**
 - (12) Year of Well Construction.-July 1983**
 - (13) Proposed Well Closure Activities (e.g. sample fluids/sediment, appropriate disposal of remaining fluids/sediments, remove well and any contaminated soil, clean out well, install permanent plug, conversion to other type well, ground water and vadose zone investigation, other).- See Closure Plan below.**
 - (14) Proposed Date of Well Closure.-Within 30 days of approval or rig availability.**
 - (15) Name of Preparer.-Wayne Price-Price LLC**
 - (16) Date.- April 5, 2019**
 - (17) Well plugging plan as submitted to the Office of the State Engineer pursuant to 19.27.4 NMAC.- Non-Applicable**
- B. Proposed well closure activities must be approved by the department prior to implementation.-Noted**
- [20.6.2.5005 NMAC - N, 12-1-01; A; 12-21-18]**

20.6.2.5209 PLUGGING AND ABANDONMENT FOR CLASS I WELLS AND CLASS III WELLS:

A. The discharger shall submit as part of the discharge permit application, a plan for plugging and abandonment of a Class I well or a Class III well that meets the requirements of Subsection D of 20.6.2.3109, Subsection C of 20.6.2.5101, and 20.6.2.5005 NMAC for protection of ground water. If requested, a revised or updated abandonment plan shall be submitted for approval prior to closure. The obligation to implement the plugging and abandonment plan as well as the requirements of the plan survives the termination or expiration of the permit.- NOTED-See Closure Plan below.

B. Prior to abandonment of a well used in a Class I well or Class III well operation, the well shall be plugged in a manner which will not allow the movement of fluids through the well bore out of the injection zone or between other zones of ground water. Cement plugs shall be used unless a comparable method has been approved by the secretary for the plugging of Class III wells at that site.-Noted-See Closure Plan below.

C. Prior to placement of the plugs, the well to be abandoned shall be in a state of static equilibrium with the mud weight equalized top to bottom, either by circulating the mud in the well at least once or by a comparable method approved by the secretary.

D. Placement of the plugs shall be accomplished by one of the following:

- (1) the balance method; or*
- (2) the dump bailer method; or*
- (3) the two-plug method; or*
- (4) an equivalent method with the approval of the secretary.*

E. The following shall be considered by the secretary in determining the adequacy of a plugging and abandonment plan:

- (1) the type and number of plugs to be used;*
- (2) the placement of each plug, including the elevation of the top and bottom;*
- (3) the type, grade and quantity of cementing slurry to be used;*
- (4) the method of placement of the plugs;*
- (5) the procedure to be used to plug and abandon the well; and*
- (6) such other factors that may affect the adequacy of the plan.*

F. The discharger shall retain all records concerning the nature and composition of injected fluids until five years after completion of any plugging and abandonment procedures. Noted -See attached Closure Plan.

[9-20-82, 12-1-95; 20.6.2.5209 NMAC - Rn, 20 NMAC 6.2.V.5209, 1-15-01; A, 12-1-01; A, 8-31-15; A, 12-21-18]

Noted See Closure Plan below.

CLOSURE PLAN:

P&A: Please see attached Appendix II a C-103 with diagrams describing the P&A of this well.

1. **Site Ownership and Control:** The site is situated on private land owned by Gandy Corporation.
2. **Future Plans:** The facility will be converted to a Fresh Water Station.
3. **Dismantle Activities:**
 - A. After the well has been properly plugged and abandoned per OCD approval, then all brine water will be, sold, recycled or disposed of in an approved manner.
 - B. Ancillary brine water tanks, associated piping and valves, and secondary collection devices, will be removed from the site.
 - C. The only underground brine water line from the wellhead area to the brine water tanks will be flushed out with fresh water and abandoned in place.
 - D. The pump house and associated utilities, meters, etc. will remain for the fresh water station.
4. **Site Assessment:**
 - A. OCD and Wasserhund Inc. records did not reveal any defined releases at this site.
 - B. Wasserhund Inc. upon discovery of any significant visual contamination or wet salty soils, other than de minimus issues, will conduct a phase I site assessment pursuant to OCD rule 19.15.29 NMAC (Releases) and report to OCD.
5. **Final Closure Report:** Wasserhund Inc. will submit a final closure report describing all activities of the closure process and file all required subsequent reports.

Appendix I- As-Built Well Diagram and Log

Wasserhund BW-22 Well Bore Skematic and Formation Tops

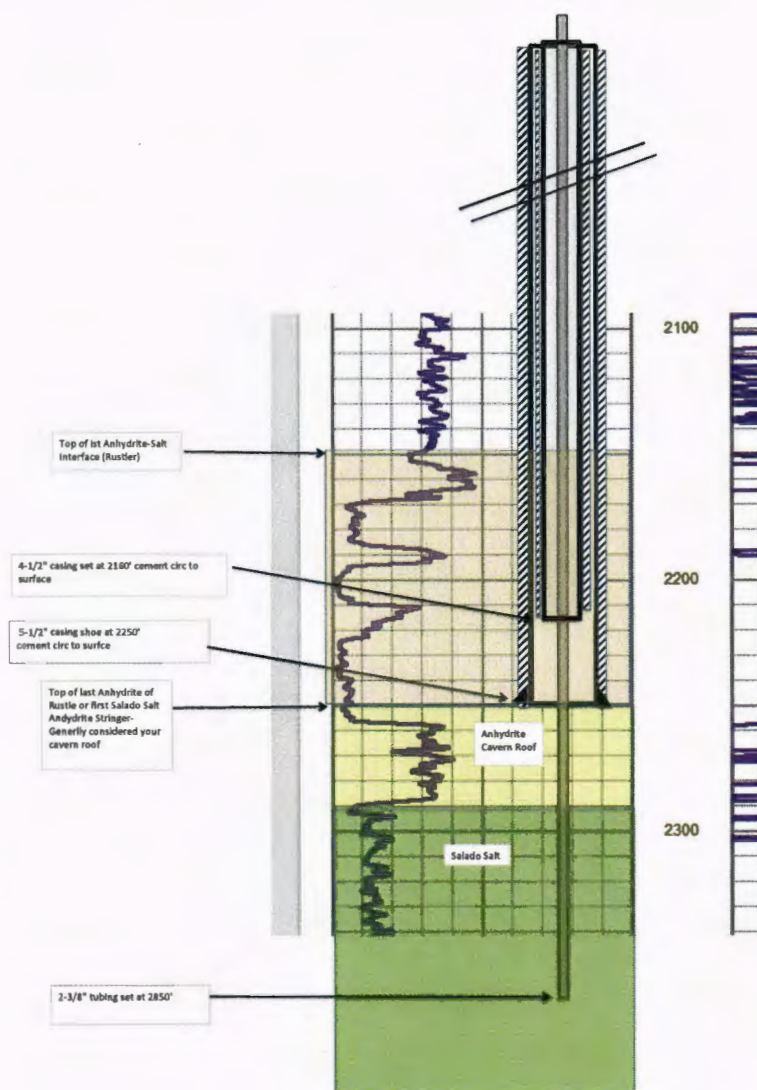
Superimposed on Uano Disposal, LLC st4 #1 API 30-025-26370 2 miles south sec 4-Ts13s-R363. CN-GR Log

Estimated Formation Tops
Surface 0

Triassic Red Bed 190'

Rustler 2150'

Salado Salt 2300'

Bottom of Salt 3070'
Top of Yates 3070'

Appendix II- C-103 P&A

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Form C-103

Revised August 1, 2011

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| <p>PERFORM REMEDIAL WORK <input type="checkbox"/></p> | <p>PLUG AND ABANDON X</p> | <p>REMEDIAL WORK <input type="checkbox"/></p> | <p>ALTERING CASING <input type="checkbox"/></p> |
| <p>TEMPORARILY ABANDON <input type="checkbox"/></p> | <p>CHANGE PLANS <input type="checkbox"/></p> | <p>COMMENCE DRILLING OPNS. <input type="checkbox"/></p> | <p>P AND A <input type="checkbox"/></p> |
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| <p>DOWNHOLE COMMINGLE <input type="checkbox"/></p> | | | |
| <p>OTHER: <input type="checkbox"/></p> | | <p>OTHER: <input type="checkbox"/></p> | |

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

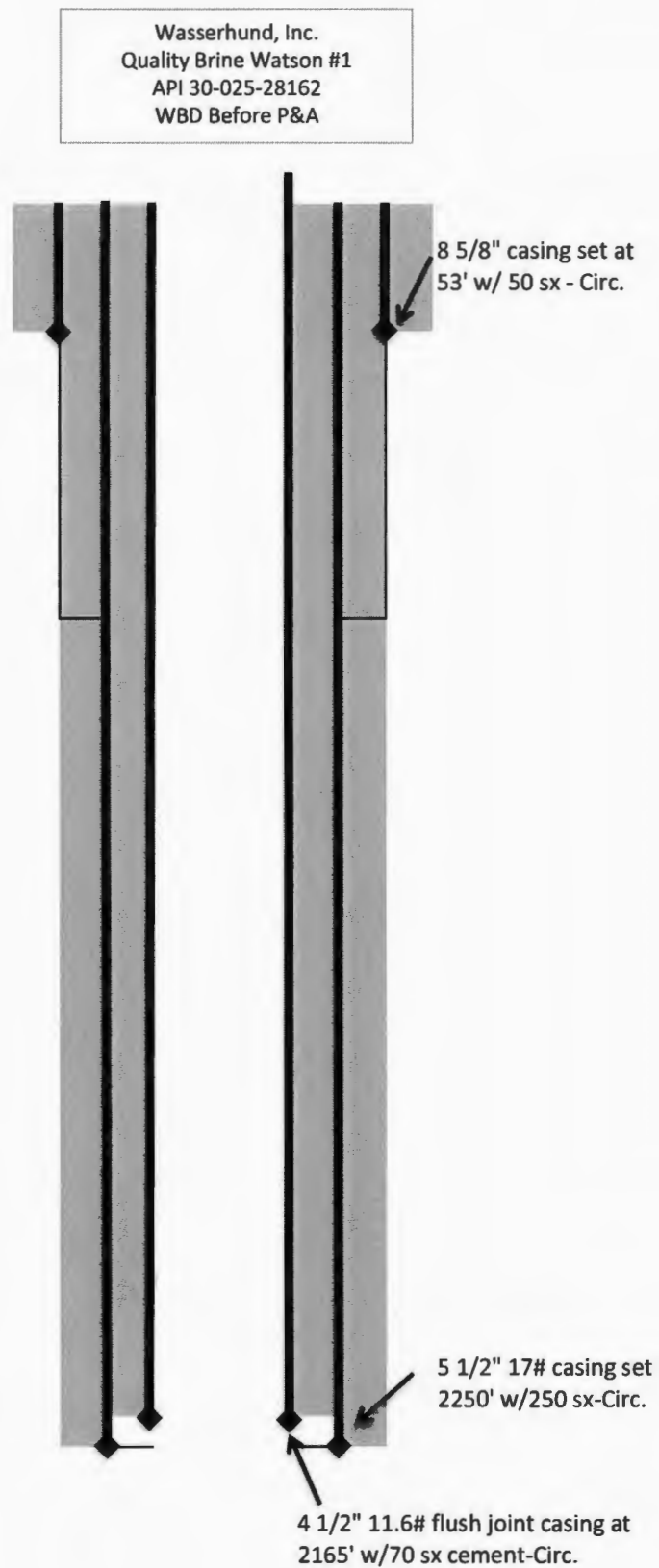
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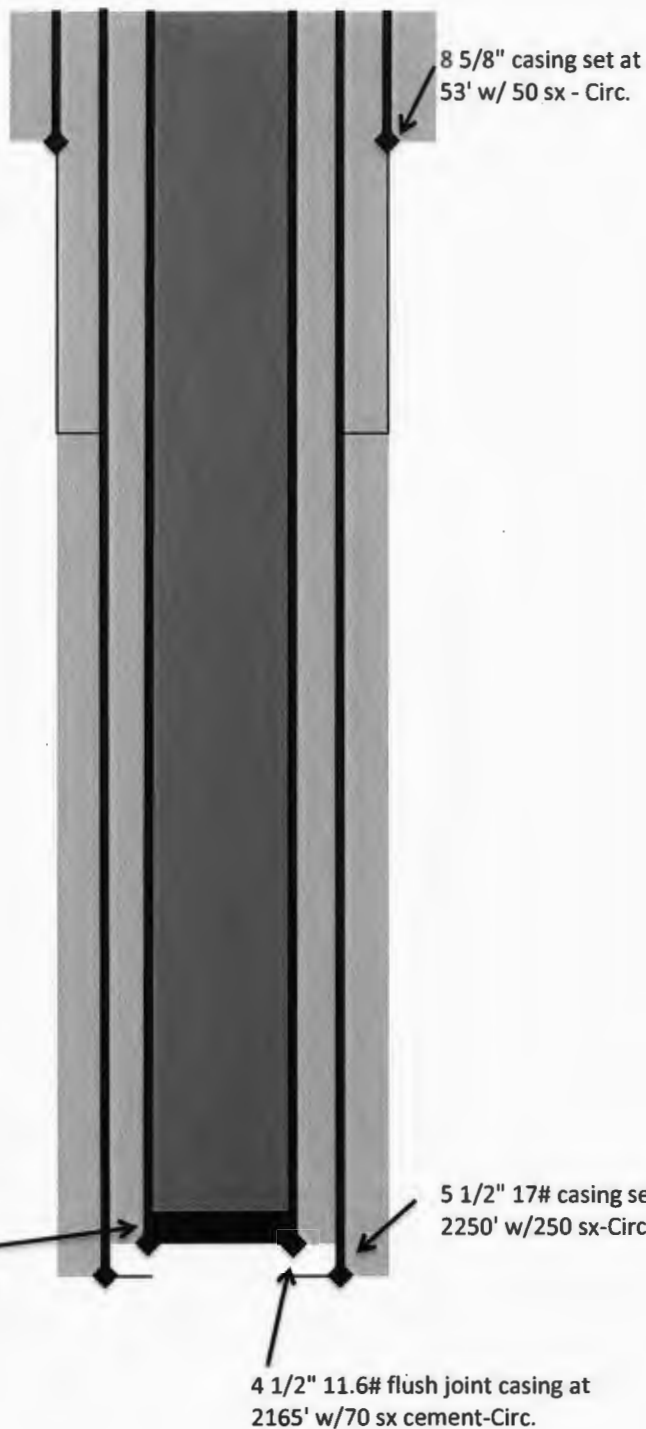
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Larry Gang TITLE Partner DATE 4-11-19
Type or print name Larry Gang E-mail address: Lgang@egandcorporation.com PHONE: 575-394-0522
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____



Wasserhund, Inc.
Quality Brine Watson #1
API 30-025-28162
WBD After P&A



Chavez, Carl J, EMNRD

From: Wayne Price <wayneprice@q.com>
Sent: Tuesday, March 19, 2019 9:12 AM
To: Chavez, Carl J, EMNRD
Cc: Wayne Price; Larry Gandy
Subject: [EXT] Tatum BW-22 Closure

Good Morning Carl,

Larry and I discussed submitting a closure plan pursuant to your recent E-mail and this is to let you know I will be drafting a closure plan to submit to you in the near future.

If you have any questions or additional information for us please let us know.

Thanks!

Wayne Price-Price LLC
312 Encantado Ridge CT NE
Rio Rancho, NM 87124
wayneprice@q.com
505-715-2809

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Monday, March 18, 2019 1:57 PM
To: 'smcfarlin@gandycorporation.com'
Cc: 'Wayne Price'; Griswold, Jim, EMNRD; Kautz, Paul, EMNRD
Subject: RE: [EXT] Form C-103 for Wasserhund, Inc. (BW-22)

Shonna:

The New Mexico Oil Conservation Division (OCD) is in receipt of the attached C-103 Form.

I am copying Wayne Price on my reply, since it deals with the OCD Discharge Permit (BW-22) Closure Requirements provided below. OCD needs a "Closure Plan" that not only includes the C-103 Form, but also addresses surface restoration of the well site and the regulations below. The C-103 Form appears to be lacking some of the details required below.

2.D. CLOSURE: Prior to closure of the facility, the Permittee shall submit for OCD's approval, a closure plan including a completed form C-103 for plugging and abandonment of the Class III well. The Permittee shall plug and abandon its well pursuant to 20.6.2.5209 NMAC (see regulation below) and as specified in Permit Condition 2.D.

20.6.2.5005 PRE-CLOSURE NOTIFICATION AND CLOSURE REQUIREMENTS:

A. Any person proposing to close a Class I, III, IV or V underground injection control well must submit pre-closure notification to the department at least 30 days prior to closure. Pre-closure notification must include the following information:

- (1) Name of facility.
- (2) Address of facility.
- (3) Name of Owner/Operator.
- (4) Address of Owner/Operator.
- (5) Contact Person.
- (6) Phone Number.
- (7) Type of Well(s).
- (8) Number of Well(s).
- (9) Well Construction (e.g. drywell, improved sinkhole, septic tank, leachfield, cesspool, other...).
- (10) Type of Discharge.
- (11) Average Flow (gallons per day).
- (12) Year of Well Construction.
- (13) Proposed Well Closure Activities (e.g. sample fluids/sediment, appropriate disposal of remaining fluids/sediments, remove well and any contaminated soil, clean out well, install permanent plug, conversion to other type well, ground water and vadose zone investigation, other).
- (14) Proposed Date of Well Closure.
- (15) Name of Preparer.
- (16) Date.
- (17) Well plugging plan as submitted to the Office of the State Engineer pursuant to 19.27.4 NMAC.

B. Proposed well closure activities must be approved by the department prior to implementation.

[20.6.2.5005 NMAC - N, 12-1-01; A; 12-21-18]

20.6.2.5209 PLUGGING AND ABANDONMENT FOR CLASS I WELLS AND CLASS III WELLS:

A. The discharger shall submit as part of the discharge permit application, a plan for plugging and abandonment of a Class I well or a Class III well that meets the requirements of Subsection D of 20.6.2.3109, Subsection C of 20.6.2.5101, and 20.6.2.5005 NMAC for protection of ground water. If requested, a revised or updated abandonment plan shall be submitted for approval prior to closure. The obligation to implement the plugging and abandonment plan as well as the requirements of the plan survives the termination or expiration of the permit.

B. Prior to abandonment of a well used in a Class I well or Class III well operation, the well shall be plugged in a manner which will not allow the movement of fluids through the well bore out of the injection zone or between other zones of ground water. Cement plugs shall be used unless a comparable method has been approved by the secretary for the plugging of Class III wells at that site.

C. Prior to placement of the plugs, the well to be abandoned shall be in a state of static equilibrium with the mud weight equalized top to bottom, either by circulating the mud in the well at least once or by a comparable method approved by the secretary.

D. Placement of the plugs shall be accomplished by one of the following:

- (1) the balance method; or
- (2) the dump bailer method; or
- (3) the two-plug method; or
- (4) an equivalent method with the approval of the secretary.

E. The following shall be considered by the secretary in determining the adequacy of a plugging and abandonment plan:

- (1) the type and number of plugs to be used;*
- (2) the placement of each plug, including the elevation of the top and bottom;*
- (3) the type, grade and quantity of cementing slurry to be used;*
- (4) the method of placement of the plugs;*
- (5) the procedure to be used to plug and abandon the well; and*
- (6) such other factors that may affect the adequacy of the plan.*

F. The discharger shall retain all records concerning the nature and composition of injected fluids until five years after completion of any plugging and abandonment procedures.

[9-20-82, 12-1-95; 20.6.2.5209 NMAC - Rn, 20 NMAC 6.2.V.5209, 1-15-01; A, 12-1-01; A, 8-31-15; A, 12-21-18]

1. Pre-Closure Notification: Pursuant to 20.6.2.5005A NMAC, the Permittee shall submit a pre-closure notification to OCD's Environmental Bureau at least 30 days prior to the date that it proposes to close or to discontinue operation of its Class III well. Pursuant to 20.6.2.5005B NMAC, OCD's Environmental Bureau must approve all proposed well closure activities before Permittee may implement its proposed closure plan.

2. Required Information: The Permittee shall provide OCD's Environmental Bureau with the following information:

- Name of facility;
- Address of facility;
- Name of Permittee (and owner or operator, if appropriate);
- Address of Permittee (and owner or operator, if appropriate);
- Contact person;
- Phone number;
- Number and type of well(s);
- Year of well construction;
- Well construction details;
- Type of discharge;
- Average flow (gallons per day);
- Proposed well closure activities (*e.g.*, sample fluids/sediment, appropriate disposal of remaining fluids/sediments, remove well and any contaminated soil, clean out well, install permanent plug, conversion to other type of well, ground water and vadose zone investigation, other);
- Proposed date of well closure;
- Name of Preparer; and,
- Date.

2.E. PLUGGING AND ABANDONMENT PLAN: Pursuant to 20.6.2.5209A NMAC, when the Permittee proposes to plug and abandon its Class III well, it shall submit to OCD a plugging and abandonment plan that meets the requirements of 20.6.2.3109C NMAC, 20.6.2.5101C NMAC, and 20.6.2.5005 NMAC for protection of ground water. If requested by OCD, Permittee shall submit for approval prior to closure, a revised or updated plugging and abandonment plan. The obligation to implement the plugging and abandonment plan as well as the requirements of the plan survives the termination or expiration of this Discharge Permit. The Permittee shall comply with 20.6.2.5209 NMAC.

Thank you.

Mr. Carl J. Chavez, CHMM (#13099)
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”)

From: smcfarlin@gandycorporation.com <smcfarlin@gandycorporation.com>
Sent: Thursday, March 14, 2019 3:51 PM
To: Chavez, Carl J, EMNRD <CarlJ.Chavez@state.nm.us>
Subject: [EXT] Form C-103 for Wasserhund, Inc.

Carl,

Please see the attachment I have included. Larry Gandy asked me to send this over to you.

I am also putting this in the mail today to Paul Kautz in the Hobbs OCD office.

Thank you,

Shonna McFarlin, Comptroller

*Gandy Corporation
P.O. Box 2140
1623 S. Main
Lovington, NM 88260
575-396-0522 Phone
575-396-0797 Fax
smcfarlin@gandycorporation.com*

What if you woke up today with only the things you thanked God for yesterday?



This email has been checked for viruses by AVG antivirus software.
www.avg.com

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1. Type of Well: Oil Well Gas Well Other X Brine Well

2. Name of Operator
Wasserhund, Inc.

3. Address of Operator
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4. Well Location

Unit Letter M : 593 feet from the South line and 639 feet from the West line
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11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON X
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A
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OTHER: ☐

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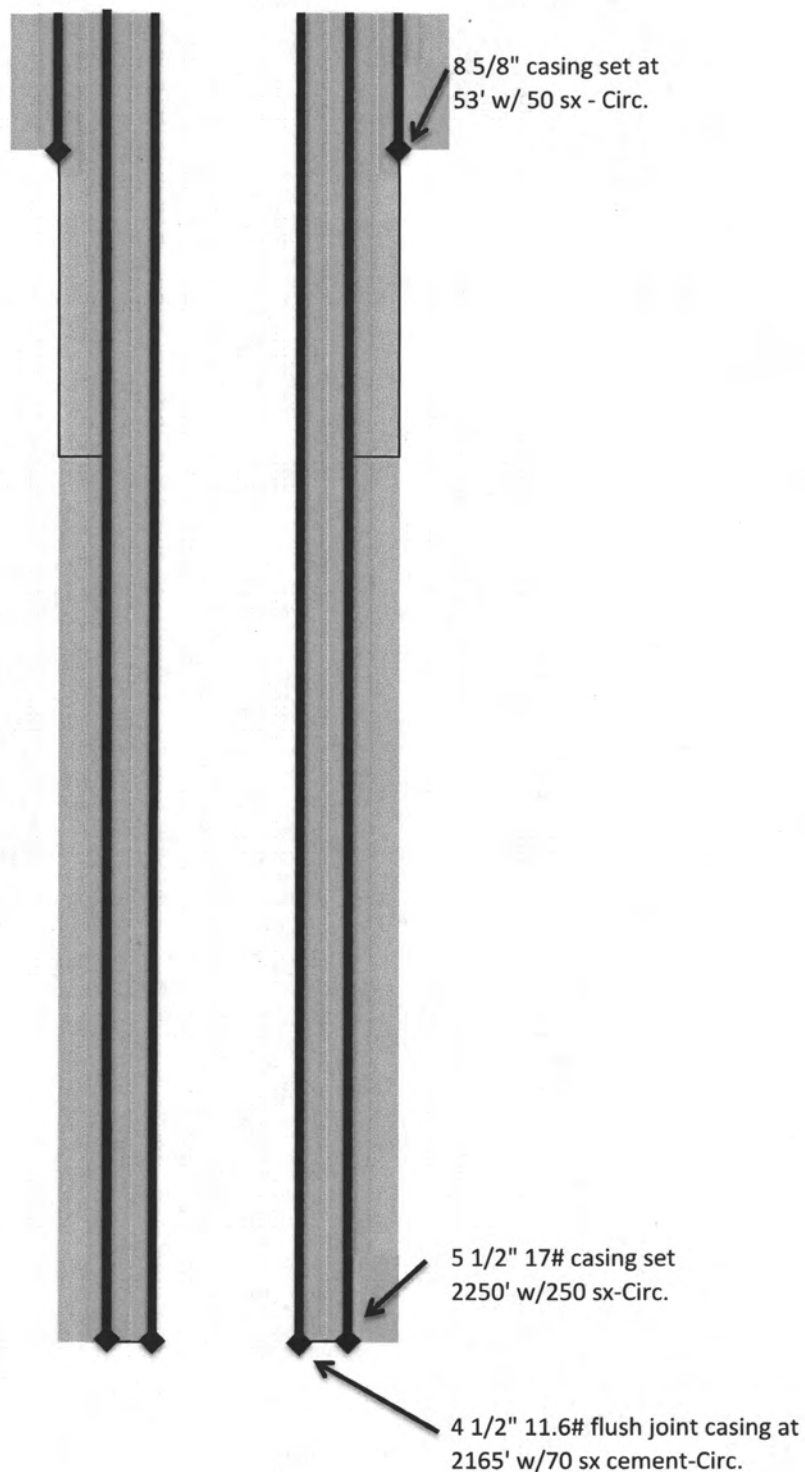
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2. Make gauge ring run and set 4 1/2" CIBP at 2150'.
3. RIH with tubing and tag CIBP. Circulate hole and test casing.
4. Spot 75 sx cement on top of CIBP. WOC and tag.
5. Fill the rest of the wellbore to surface from the tag point.
6. Remove wellhead and install marker.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

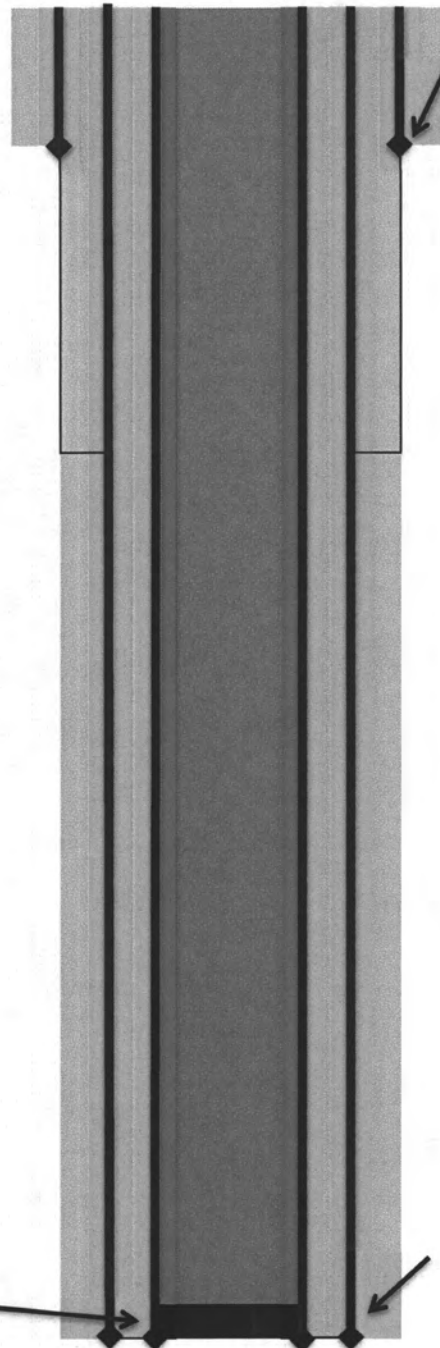
SIGNATURE Larry Gandy TITLE Pres. DATE 3-14-19
Type or print name Larry Gandy E-mail address: Lgandy@lgandy.com PHONE: 575-396-0522
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____

Wasserhund, Inc.
Quality Brine #1
API 30-025-28162
WBD Before P&A



Wasserhund, Inc.
Quality Brine #1
API 30-025-28162
WBD After P&A



8 5/8" casing set at
53' w/ 50 sx - Circ.

5 1/2" 17# casing set
2250' w/250 sx-Circ.

4 1/2" 11.6# flush joint casing at
2165' w/70 sx cement-Circ.

Set 4 1/2" CIBP @ 2150' and circulate
cement to surface in 2 stages.
1st stage will be 75 sx. WOC and
tag. Then fill to surface with second
stage.

Chavez, Carl J, EMNRD

From: Wayne Price <wayneprice@q.com>
Sent: Wednesday, January 23, 2019 7:27 PM
To: Chavez, Carl J, EMNRD; Larry Gandy
Cc: Wayne Price; Griswold, Jim, EMNRD
Subject: [EXT] Re: BW-22 (Wasserhund, Inc. Watson #1 API# 30-025-28162): Brine Well Discharge Permit Renewal Application

Dear Carl,

Yes we plan on ceasing operations and will be submitting a plugging plan. Also we will follow up on the permit closure requirements. In order to save time you probably will want to forgo any further work on this permit.
We will be getting back with you.

On Jan 23, 2019, at 3:50 PM, Chavez, Carl J, EMNRD
<CarlJ.Chavez@state.nm.us> wrote:

<image001.gif>
Wayne:

Good afternoon.

You may recall the New Mexico Oil Conservation Division (OCD) call with you to discuss the above subject Wasserhund Brine Well Application and Discharge Permit Renewal on January 15, 2019. You indicated the operator may be planning to plug and abandon the above subject brine well.

OCD observes that the permit expired on November 8, 2018, and the operator submitted an application for brine well renewal within the permitted guidelines, and is currently operating in accordance with the expired permit. OCD is currently working on the application review and administrative completeness of the application.

Based on the above, OCD is requesting to know the operator's future plans for the well so it may forego or proceed with the brine well application review process, etc., etc.? If the operator decides to close the facility under the permit, OCD hereby requests the operator to comply with permit sections 2.D, 2.E and any other applicable sections of the discharge permit in order to fulfill the terms and conditions of the permit.

OCD requests a response to the above by COB Friday, Feb. 1, 2019.

Thank you.

Mr. Carl J. Chavez, CHMM (#13099)
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”)

Cc: File

Wayne Price-Price LLC
312 Encantado Ridge CT NE
Rio Rancho, NM 87124
wayneprice@q.com
505-715-2809

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Wednesday, January 23, 2019 3:51 PM
To: 'Wayne Price'
Cc: Griswold, Jim, EMNRD
Subject: BW-22 (Wasserhund, Inc. Watson #1 API# 30-025-28162): Brine Well Discharge Permit Renewal Application

Wayne:

Good afternoon.

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Cc: File

Submit 1 Copy To Appropriate District
Office

District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
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

Revised August 1, 2011

| | |
|--|--|
| <p>WELL API NO. 30-025-28162</p> | |
| <p>5. Indicate Type of Lease STATE FEE</p> | |
| <p>6. State Oil & Gas Lease No.</p> | |
| <p>7. Lease Name or Unit Agreement Name Quality Brine Watson</p> | |
| <p>8. Well Number 001</p> | |
| <p>9. OGRID Number 130851</p> | |
| <p>10. Pool name or Wildcat</p> | |
| <p>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.)</p> | |
| <p>1. Type of Well: Oil Well Gas Well Other X Brine Well</p> | |
| <p>2. Name of Operator Wasserhund, Inc.</p> | |
| <p>3. Address of Operator P.O. Box 2140, Lovington, NM 88260</p> | |
| <p>4. Well Location Unit Letter M : 593 feet from the South line and 639 feet from the West line Section 20 Township 12S Range 36E NMPM Lea County</p> | |
| <p>11. Elevation (Show whether DR, RKB, RT, GR, etc.)</p> | |

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

| | | | |
|--|---|--|--|
| <p>NOTICE OF INTENTION TO:</p> | | <p>SUBSEQUENT REPORT OF:</p> | |
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON X | REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | |
| DOWNHOLE COMMINGLE <input type="checkbox"/> | | | |
| <p>OTHER: <input type="checkbox"/></p> | | <p>OTHER: <input type="checkbox"/></p> | |

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

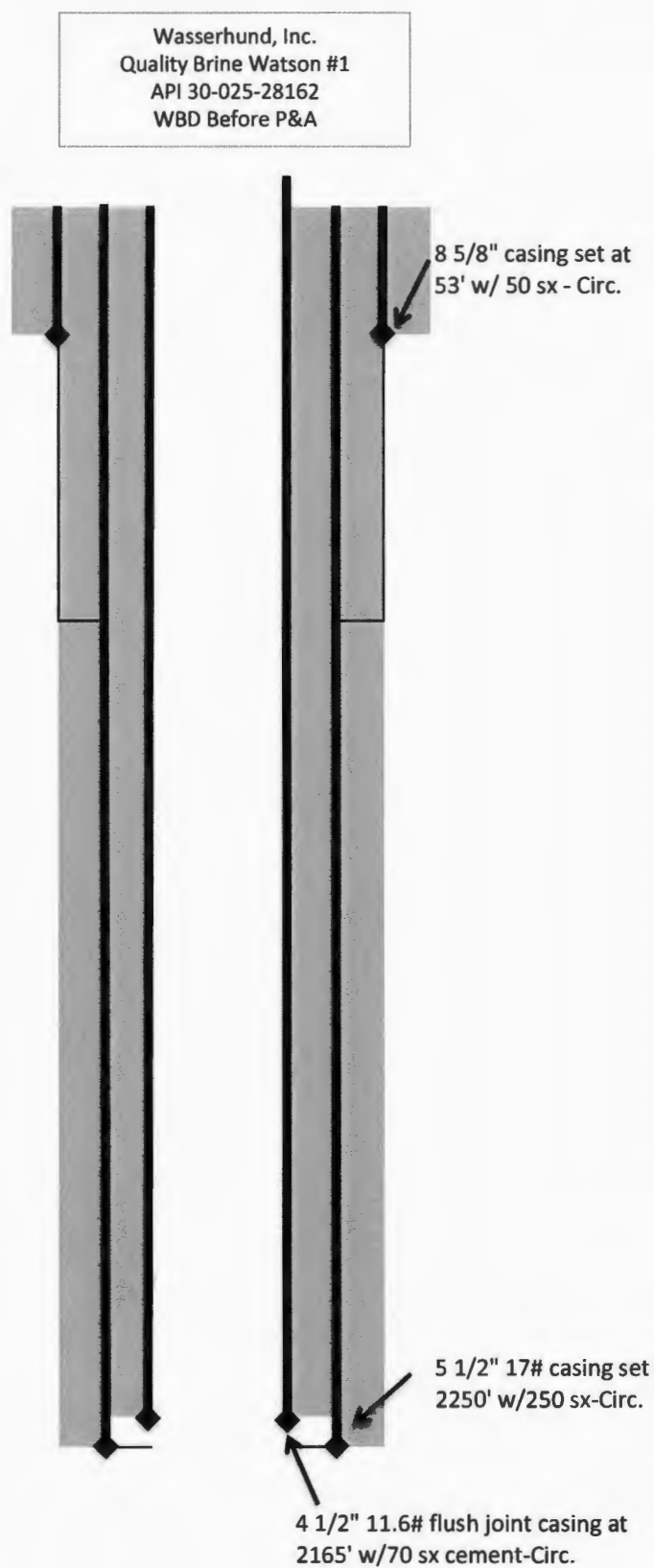
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3. RIH with tubing and tag CIBP-record. Circulate hole and test casing 300 psig-30 min with calibrated chart recorder 1000 lb spring.
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5. Fill the rest of the wellbore to surface with Class "C" from the tag point.
6. Remove wellhead, insure cement is to surface in all strings of casing and install marker.

All Fluids Will Be Circulated to a Steel Pit

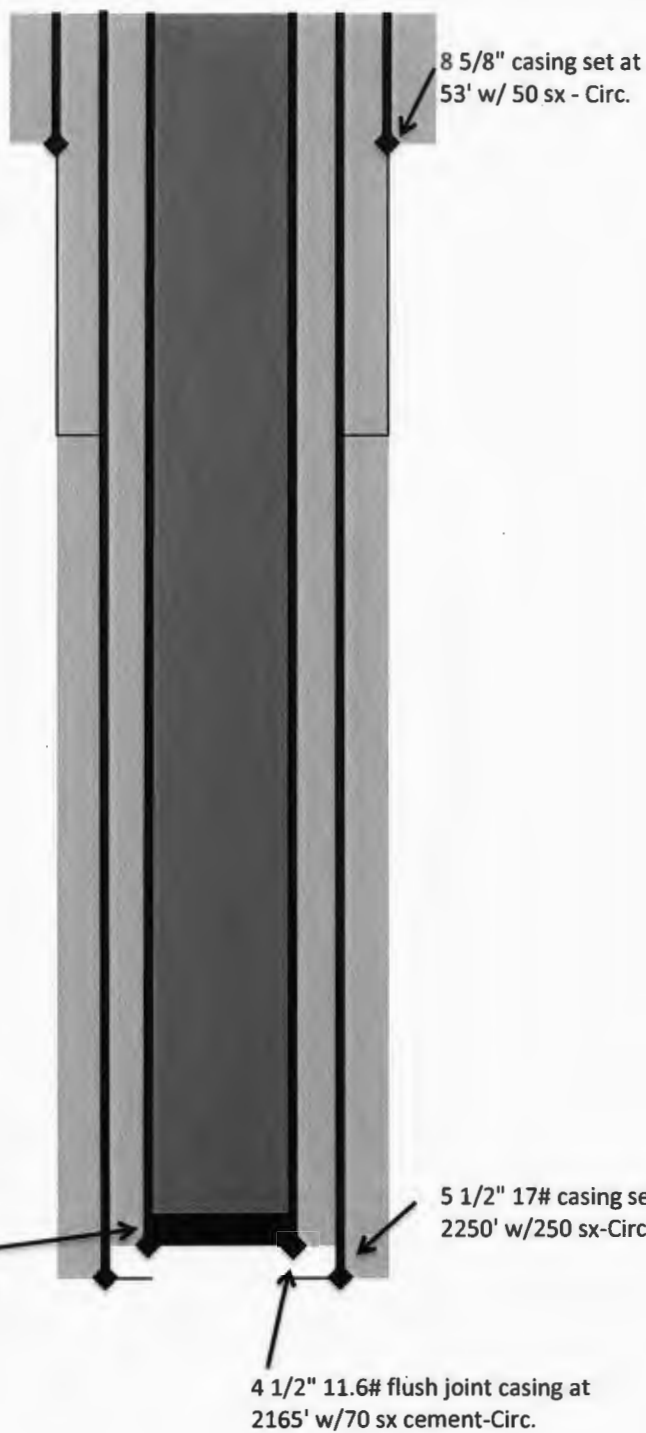
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Larry Gang TITLE Partner DATE 4-11-19
Type or print name Larry Gang E-mail address: Lgang@egandcorporation.com PHONE: 575-394-0522
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____



Wasserhund, Inc.
Quality Brine Watson #1
API 30-025-28162
WBD After P&A



Submit 1 Copy To Appropriate District
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District IV – (505) 476-3460
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

Revised August 1, 2011

| | |
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| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> |
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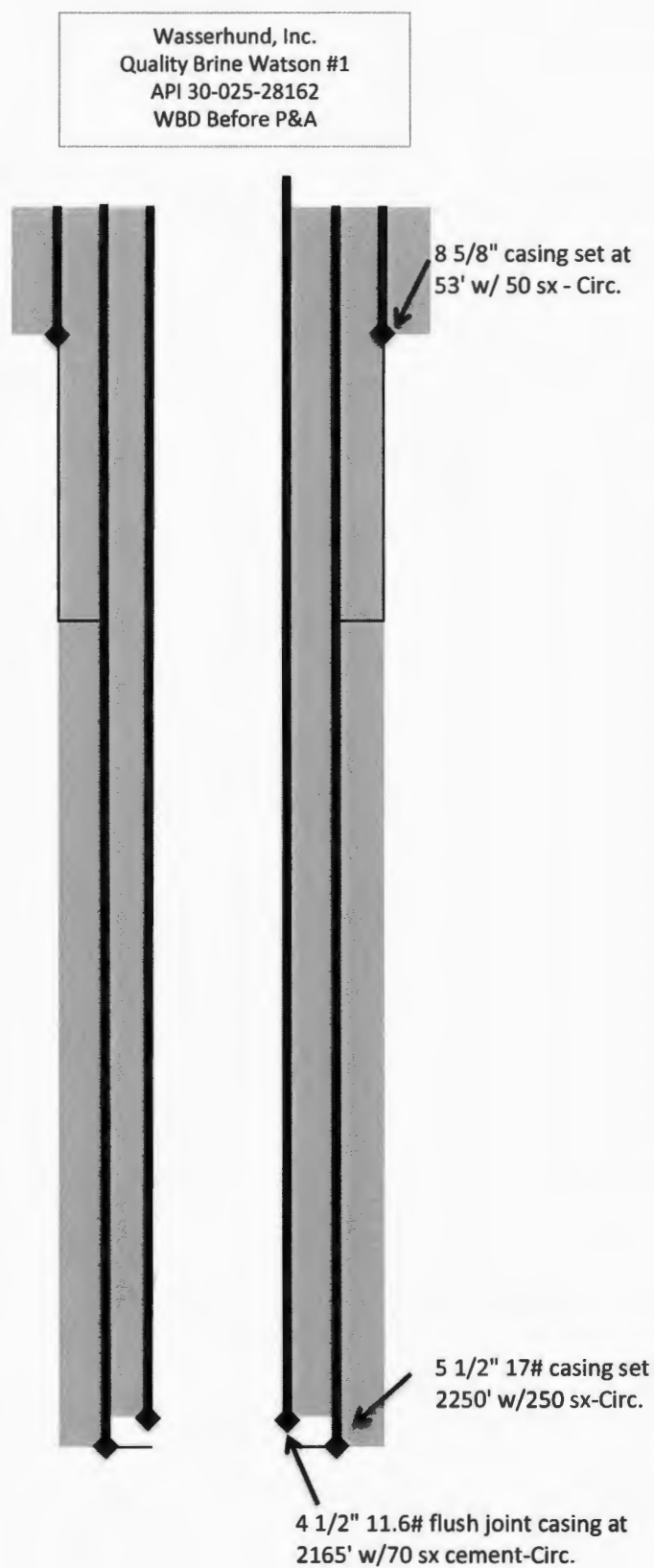
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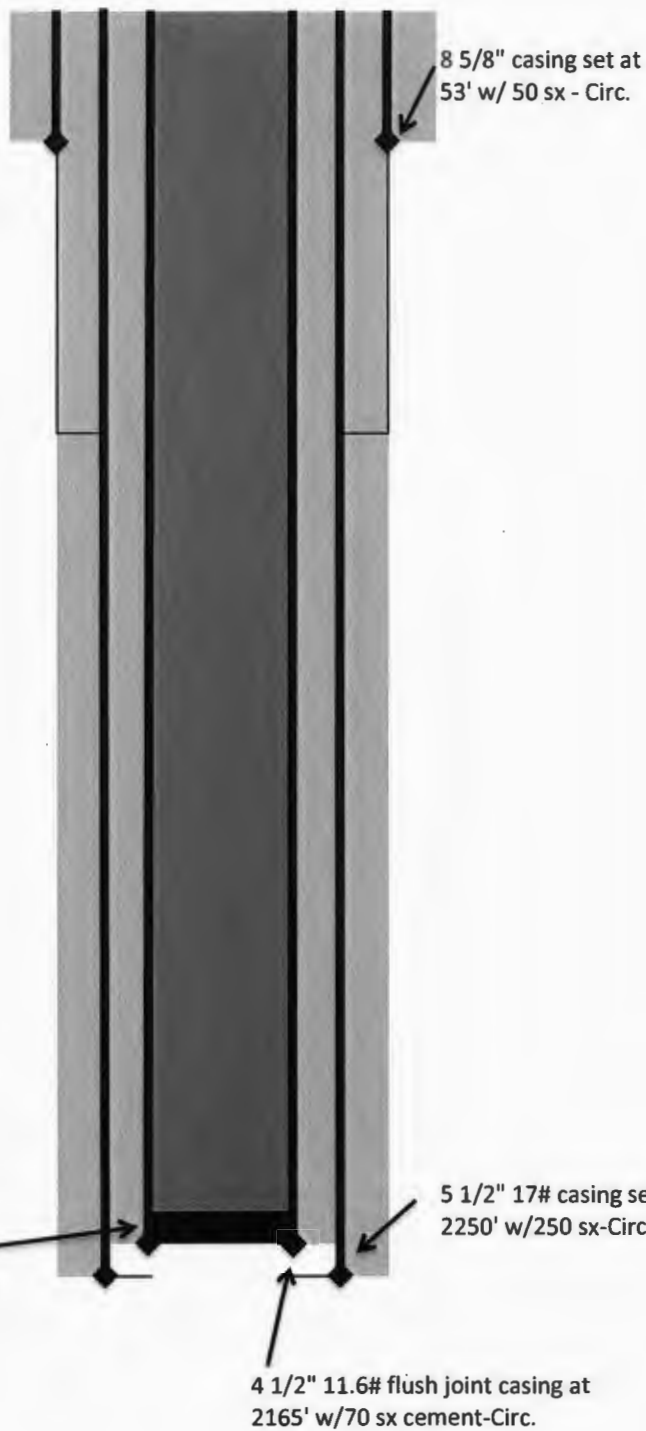
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Type or print name Larry Gang E-mail address: Lgang@egandcorporation.com PHONE: 575-394-0522
For State Use Only

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Conditions of Approval (if any): _____



Wasserhund, Inc.
Quality Brine Watson #1
API 30-025-28162
WBD After P&A



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Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

COMMENTS

Action 32007

COMMENTS

| | |
|--|---|
| Operator: GANDY CORP P.O. Box 827 Tatum, NM 88267 | OGRID: 8426 |
| | Action Number: 32007 |
| | Action Type: [C-103] NOI Plug & Abandon (C-103F) |

COMMENTS

| Created By | Comment | Comment Date |
|------------|--|--------------|
| cchavez | BW-22 Plug and Abandonment Sundry with Well Diagrams | 6/15/2021 |

District I

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
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Santa Fe, NM 87505

CONDITIONS

Action 32007

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CONDITIONS

| Created By | Condition | Condition Date |
|------------|--|----------------|
| cchavez | Conditions of approval prior to adding cement: 1) Fill brine cavern with fluid; 2) Scrape inner casing or equivalent from plug to near surface; and 3) Set bridge plug within 50 ft. of casing shoe. | 6/15/2021 |