



New Mexico Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**John H. Bemis**  
Cabinet Secretary-Designate

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey**  
Division Director  
Oil Conservation Division



June 20, 2011

**Administrative Order IPI-401**  
Application No. pTGW1114549913

Mesquite SWD, Inc.  
P.O. Box 1479  
Carlsbad, NM 88221

Attention: Kay Havenor

**RE: Injection Pressure Increase**  
Clark SWD Well No. 1  
Section 11, T26 South, R28 East  
Eddy County, New Mexico

Dear Mr. Havenor:

Reference is made to your request on behalf of Mesquite SWD, Inc. (OGRID 161968) received by the Division on May 25, 2011 to increase the surface injection pressure on the Clark SWD Well No. 1. Your request is based upon a step rate test recently conducted on this well. The results of the step rate test indicate that an increase in the surface injection pressure for this well is justified and will not result in the fracturing of the injection formation and confining strata.

It is our understanding that this well will not take a sufficient volume of water at the present pressure limit and a higher pressure limit is needed for a successful salt water disposal operation.

Based on a step rate injection test was conducted May 12, 2011 you are hereby authorized to increase the surface injection pressure on the following well located in Eddy County, New Mexico:

| Well Number  | Delaware Perfs. | Surf. Inj. Pressure |
|--|-----------------|---------------------|
| Clark SWD Well No. 1<br>API No. 30-015-24305, Unit G | 2643'-4054'     | 900 PSI             |



This approval is based on a provision that the tubing size, packer setting depth and perforation depths do not change. You are prohibited from injecting at pressures that would induce fracturing.

The operator is responsible for ensuring injected waters do not migrate upward inside or outside of this casing and enter formations above the permitted injection interval.

This approval is subject to your being in compliance with all other Division rules, including but not limited to Division Rule 19.15.5.9 NMAC.

The Division Director may rescind this injection pressure increase if it becomes apparent that the injected fluid is not being confined to the injection zone or is endangering any fresh water aquifers.

The injection authority granted herein shall terminate two years after the effective date of this order if the operator has not commenced injection operations into the subject wells, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with a large initial "J" and "B".

Jami Bailey  
Director

JB/tw

cc: Oil Conservation Division – Artesia