

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



March 13, 2018

Mr. Ben Stone, Agent for OWL SWD Operating, LLC
SOS Consulting, LLC
P. O. Box 300
Como, TX 75431

RE: Administrative Order SWD-1615; First Extension of Deadline to Commence Injection

Talon SWD Well No. 1 (API 30-025-42761)
Unit E, Sec 20, T18S, R34E, NMPM, Lea County, New Mexico
Order Date: February 8, 2016
Injection into the Devonian and Silurian formations; permitted interval: approximately 14900 feet to 15900 feet

Dear Mr. Stone:

Reference is made to your request on behalf of OWL SWD Operating, LLC (the "operator") to extend the deadline stipulated in order SWD-1615 based upon the approval date of February 8, 2016, to commence injection for the above referenced well for an additional one year for reasons outlined in the attached correspondence.

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

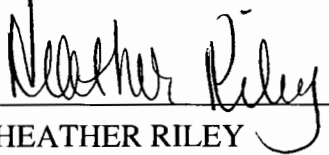
The Division finds that granting this request to extend this administrative order is in the interest of conservation, will prevent waste, and will protect the environment.

The deadline to commence injection for the existing order is hereby extended until February 8, 2019. All requirements of the above referenced administrative order and agreements in the application

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remain in full force and effect. This extension is only relevant to the administrative order approving the injection authority; therefore, the operator must re-apply with the Division's District I to obtain an approved Application for Permit to Drill.

Sincerely,



HEATHER RILEY
Director

HR/prg

cc: Oil Conservation Division – Hobbs District Office
SWD-1615
Well file 30-025-42761