

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



May 31, 2018

Ms. Melanie Wilson
Mesquite SWD, Inc.
P. O. Box 1479
Carlsbad, NM 88220

RE: Administrative Order SWD-1558; Second Extension of Deadline to Commence Injection

Station SWD Well No. 1 (API 30-025-43473)

Unit F, Sec 7, T24S, R32E, NMPM, Lea County, New Mexico

Order Date: June 26, 2015

First Extension Approved: June 7, 2017

Injection into Devonian and Silurian formations; permitted interval: approximately 16470 feet to approximately 17975 feet

Dear Ms. Wilson:

Reference is made to your request on behalf of Mesquite SWD, Inc. (the "operator") to extend the deadline stipulated in order SWD-1558 based upon the approval date of June 16, 2015, to commence injection for the above referenced well for an additional six months for reasons outlined in the attached correspondence. Prior to the required date to commence injection of the administrative order, the Division approved an extension of one year making the new date to commence injection June 26, 2018.

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. The additional evaluation for the extension included a review for the completion of new wells within the Area of Review that penetrated the approved injection interval and any changes in ownership of affected persons notified for the original application.

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.

SWD-1558: Second Extension of Deadline to Commence Injection

Mesquite SWD, Inc.

May 31, 2018

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The deadline to commence injection for the existing order is hereby extended until December 26, 2018. All requirements of the above referenced administrative order and agreements in the application remain in full force and effect.

Sincerely,



HEATHER RILEY

Director

HR/prg

cc: Oil Conservation Division – Hobbs District Office
Bureau of Land Management – Carlsbad Field Office
Well file 30-025-43473
SWD-1558

MESQUITE SWD, INC.

PO Box 1479
CARLSBAD, NM 88220
575-628-0391

May 9, 2018

New Mexico Oil Conservation Division
Attention: Mr. Phillip Goetze
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Request for Permit Approval Extension
C-108 Authorization to Inject (Order SWD-1558)
Approved June 26, 2015, Extended June 7, 2017
Amended December 7, 2017 under R-14392-A
Station SWD #1
Township 24 South, Range 32 East, N.M.P.M.
Section 7: 2625' FNL & 2315' FWL
Lea County, NM

Dear Mr. Goetze:

Mesquite SWD, Inc. respectfully requests administrative approval for a six month extension of the approved C-108 authorization to inject for the above referenced well.

We are currently drilling this well (spud on May 6, 2018), however do not anticipate injection to begin by the June 26, 2018 expiration date of the extension to SWD-1558. We are asking for six months in order to be covered should we have unexpected delays or complications in drilling and completing the well.

There have been no wells drilled within the area of review that penetrate the injection formation, nor any ownership or operator changes requiring additional notice since the amended order was issued.

Please contact me at 575-914-1461 if you need further information.

Thank you for your consideration of this request.

Sincerely,

Melanie J. Wilson

Melanie J. Wilson
Regulatory Analyst