

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-1636; First Extension of Deadline to Commence Injection

Cypress SWD Well No. 1 (API 30-015-43867)

Unit L, Sec 34, T23S, R29E, NMPM, Eddy County, New Mexico

Order Date: July 15, 2016

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-1636 based upon the approval date of July 15, 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. 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.

The deadline to commence injection for the existing order is hereby extended until July 15, 2019. All requirements of the above referenced administrative order and agreements in the application remain in full force and effect.

SWD-1636: First Extension of Deadline to Commence Injection

Mesquite SWD, Inc.

May 31, 2018

Page 2 of 2

Sincerely,

A handwritten signature in black ink, appearing to read "Heather Riley", is written over a horizontal line.

HEATHER RILEY

Director

HR/prg

cc: Oil Conservation Division – Artesia District Office
Bureau of Land Management – Carlsbad Field Office
Well file 30-015-43867
SWD-1636

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-1636)
Approved July 15, 2018
Amended December 7, 2017 under R-14392-A
Cypress SWD #1
Township 23 South, Range 29 East, N.M.P.M.
Section 34: 1590' FSL & 165' FWL
Eddy County, NM

Dear Mr. Goetze:

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

We have a rig scheduled to spud this well on May 15, 2018. We are asking for one year 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
Regulatory Analyst

Goetze, Phillip, EMNRD

From: Melanie Wilson <mjp1692@gmail.com>
Sent: Wednesday, May 9, 2018 5:01 PM
To: Goetze, Phillip, EMNRD
Subject: REQUEST FOR EXTENSION OF SWD-1636
Attachments: Cypress SWD #1 SWD-1636 Request for Extension.pdf

Hi Phil,

Attached is a letter requesting an extension of SWD-1636 for Mesquite SWD, Inc.'s Cypress SWD #1. Please let me know if you need anything further to process this request.

Thank you,

Melanie Wilson

Mjp1692@gmail.com

575-914-1461