

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



August 20, 2018

Ms. Sarah Presley
Delaware Energy, LLC
405 N. Marienfeld, Suite 250
Midland, TX 79701

RE: Administrative Order SWD-1644; First Extension of Deadline to Commence Injection

Aztec State SWD Well No. 1 (API 30-025-24412)
Unit G, Sec 16, T24S, R35E, NMPM, Lea County, New Mexico
Order Date: August 11, 2016
Injection into the Devonian formation; permitted interval: 16770 feet to 17700 feet

Dear Ms. Presley:

Reference is made to your request on behalf of Delaware Energy, LLC (the "operator") to extend the deadline stipulated in order SWD-1644 based upon the approval date of August 11, 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 August 11, 2019. All requirements of the above referenced administrative order and agreements in the application remain in full force and effect. Any additional extension of the deadline to commence injection for

this administrative order will not be considered unless the operator has commenced drilling the referenced well. Otherwise, the injection authority shall expire under the terms of the extended administrative order and the operator shall be required to submit a new application to obtain injection authority for the referenced well.

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 – Hobbs District Office
SWD-1644
Well file 30-025-24412