

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary Designate

Gabriel Wade, Acting Director
Oil Conservation Division



January 15, 2019

Ms. Stormi Davis
Mesquite SWD, Inc.
P. O. Box 1479
Carlsbad, NM 88220

RE: Administrative Order SWD-1610; Second Extension of Deadline to Commence Injection

Gnome East SWD Well No. 1 (API 30-015-43801)

Unit D, Sec 35, T23S, R30E, NMPM, Eddy County, New Mexico

Order Date: January 13, 2016

First extension to commence injection issued March 15, 2018.

Injection into Devonian formation; permitted interval: 15550 feet to 16550 feet

Dear Ms. Davis:

Reference is made to your request on behalf of Mesquite SWD, Inc. (the "operator") to extend the deadline stipulated in order SWD-1610 based upon the approval date of January 13, 2016, to commence injection for the above referenced well for an additional one year for reasons outlined in the attached correspondence. Previously, the order was approved for a one-year extension to a new deadline of January 13, 2019. The recent request for the additional extension was received by the Division on October 10, 2018, prior to the expiration of the first extension.

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 January 13, 2020. All requirements of the above referenced administrative order and agreements in the application

remain in full force and effect.

Sincerely,



GABRIEL WADE
Director

GW/prg

cc: Oil Conservation Division – Artesia District Office
Bureau of Land Management – Carlsbad Field Office
Well file 30-015-43801
SWD-1610

MESQUITE SWD, INC.

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

October 10, 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-1610)
Approved January 13, 2016
Gnome East SWD #1
Township 23 South, Range 30 East, N.M.P.M.
Section 35: 220' FNL & 305' 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 plan to drill this well in the first quarter of 2019.

There have been no wells drilled within the area of review, nor any ownership or operator changes requiring additional notice since the order was issued. I have attached the one-mile map.

Please contact me at 575-308-3765 if you need further information.

Thank you for your consideration of this request.

Sincerely,

Stormi Davis

Stormi Davis
Regulatory Analyst

Attachment

Goetze, Phillip, EMNRD

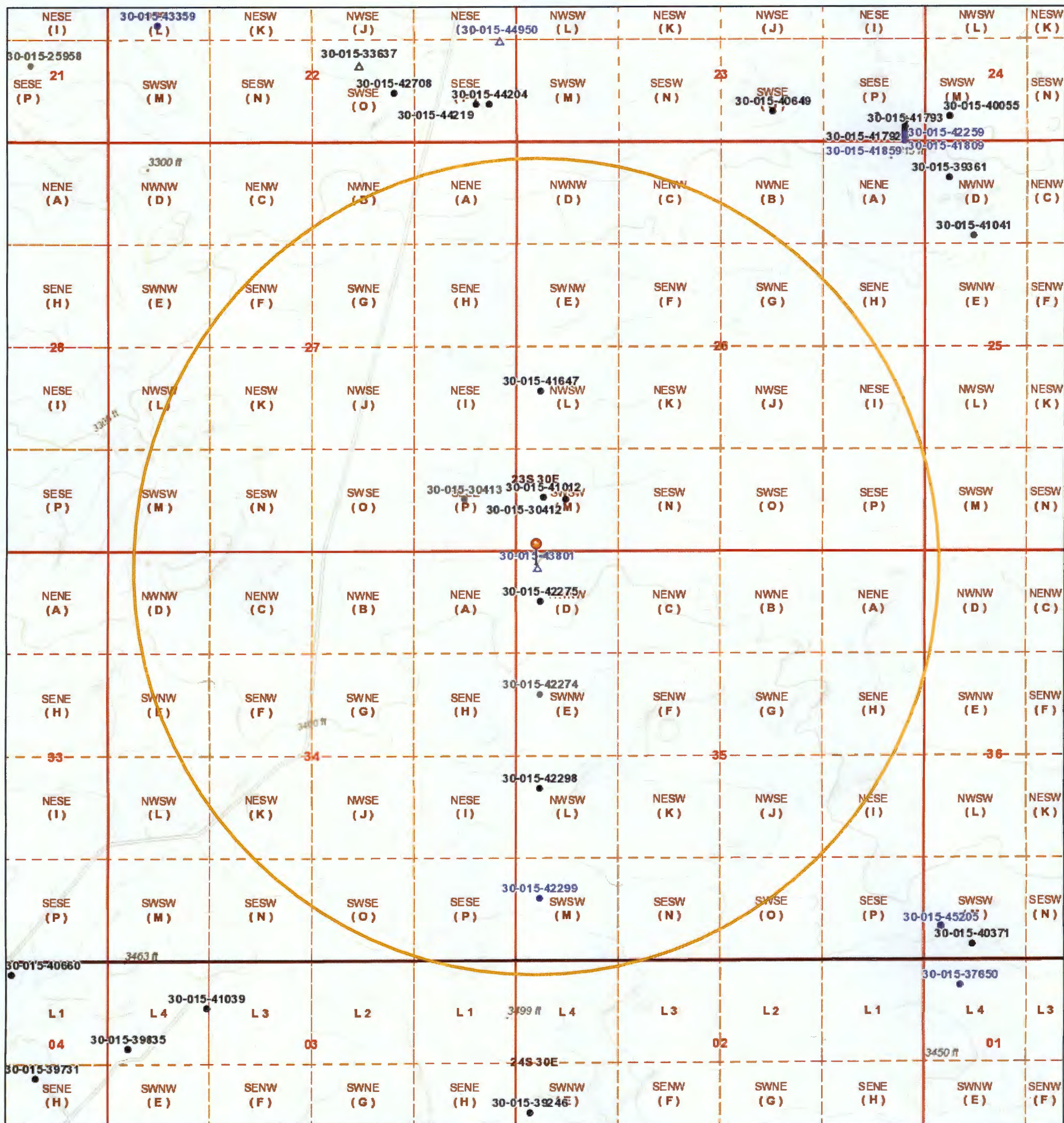
From: Stormi Davis <ssdavis104@gmail.com>
Sent: Wednesday, October 10, 2018 3:46 PM
To: Goetze, Phillip, EMNRD
Subject: [EXT] Gnome East SWD #1 - Request for Extension
Attachments: Gnome East SWD 1 - 2nd Request for ext of C-108.pdf; Gnome East SWD 1 - 1-mile wells.pdf

Please see attached extension request for your review.

Thank you.

Stormi Davis

Gnome East SWD #1



10/10/2018 3:32:51 PM

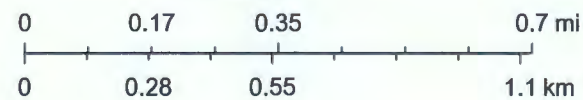
1:18,056

Well Locations - Large Scale

- Miscellaneous
- ★ CO2 Active
- ★ CO2 Cancelled
- ★ CO2 New
- ★ CO2, Plugged
- ★ CO2, Temporarily Abandoned
- ★ Gas Active
- ★ Gas, Cancelled, Never Drilled
- ★ Gas, New
- ★ Gas, Plugged
- ★ Gas, Temporarily Abandoned
- Injection, Active
- Injection, Cancelled

- Injection, New
- Injection, Plugged
- Injection, Temporarily Abandoned
- Oil, Active
- Oil, Cancelled
- Oil, New
- Oil, Plugged
- Oil, Temporarily Abandoned
- △ Salt Water Injection, Active
- △ Salt Water Injection, Cancelled
- △ Salt Water Injection, New
- △ Salt Water Injection, Plugged
- △ Salt Water Injection Temporarily Abandoned

- Water, Active
 - Water, Cancelled
 - Water, New
 - Water, Plugged
 - Water, Temporarily Abandoned
- ## Well Locations - Small Scale
- Active
 - New
 - Plugged
 - Cancelled
 - Temporarily Abandoned
 - OCD Districts
 - ★ OCD District Offices
 - PLSS First Division



Bureau of Land Management, Texas Parks & Wildlife, Esri, HERE, Garmin, INCREMENT P, USGS, METI/NASA, EPA, USDA, OCD, BLM