



APPLICATION CANCELLED*

APPLICANT: MESQUITE SWD, INC

APPLICATION TYPE: SWD

WELL NAME: Laguna Saldana 7 SWD#1

API NUMBER: 30-015-Pending

ADMIN. APPL. NO.: PMAM1821132239

UL-S-T-R: K-7-235-29E

REASON FOR CANCELLATION:

Applicant cancelled Application

Make sure to confirm application status in E-permitting and applicant is notified by e-mail; attach copy of e-mail to this package.

*Also inferred to be the following:

- Denied
- Rebuffed
- Refuted
- Controverted
- Vetoed
- Spurned
- Recanted
- Rejected
- Negated

McMillan, Michael, EMNRD

From: McMillan, Michael, EMNRD
Sent: Friday, October 26, 2018 3:03 PM
To: 'Melanie & Tommy Wilson'; Goetze, Phillip, EMNRD
Cc: 'Clay Wilson'; 'Riley G. Neatherlin'; 'Drew Dixon'
Subject: RE: [EXT] MESQUITE SWD, INC - WITHDRAW OF APPLICATION

The OCD shall cancel your application on Friday October 26, 2018.

Mike

From: Melanie & Tommy Wilson <mjp1692@gmail.com>
Sent: Friday, October 26, 2018 2:54 PM
To: Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>; McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Cc: 'Clay Wilson' <clay@mesquiteswd.net>; 'Riley G. Neatherlin' <Riley@mesquiteswd.net>
Subject: [EXT] MESQUITE SWD, INC - WITHDRAW OF APPLICATION

Phil/Mike,

Mesquite SWD, Inc. wishes to withdraw it's application for authorization to inject on the Laguna Salada 7 SWD No. 1. Thank you for your attention to this matter and for your time spent on the application.

Sincerely,

Melanie Wilson

Mesquite SWD, Inc.

575-914-1461

Mjp1692@gmail.com

RECEIVED: 7/27/2018	REVIEWER:	TYPE: SWD	APP NO: DMAM1821132239
-------------------------------	-----------	---------------------	----------------------------------

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
 REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Mesquite SWD, Inc. **OGRID Number:** 161968
Well Name: Laguna Salada 7 SWD #1 **API:** Not Yet Assigned
Pool: SWD;Devonian **Pool Code:** 96101

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

JUL 27 2018 PM12:39

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☒ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☒ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☐ Notification and/or concurrent approval by BLM
 F. ☒ Surface owner
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application
 Content
 Complete

- 3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Melanie J. Wilson

Print or Type Name

Melanie J. Wilson
 Signature

07/25/2018

Date

575-914-1461

Phone Number

mjp1692@gmail.com

e-mail Address

MESQUITE SWD, INC.

**PO Box 1479
CARLSBAD, NM 88221-1479
575-887-0980**

July 25, 2018

Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Attention: Ms. Heather Riley
Division Director

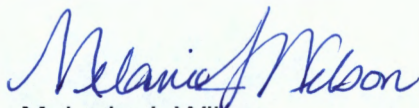
Re: Mesquite SWD, Inc.
C-108 Application for Authorization to Inject
Laguna Salada 7 SWD #1
2026' FSL & 1254' FWL
Section 7 T23S R29E
Eddy County, New Mexico

Dear Ms. Riley,

Enclosed please find a Division Form C-108 (Application for Authorization to Inject) for the Mesquite SWD, Inc. Laguna Salada 7 SWD #1 well. Mesquite SWD, Inc. proposes to drill and utilize this well as a produced water disposal well, injection to occur into the Siluro-Devonian formation through the open-hole interval from approximately 14,500 feet to 15,700 feet. Produced water from the Bone Spring, Wolfcamp and other formations originating from wells in this area will be injected into the well.

I believe that all of the information necessary to approve the application is enclosed. If additional information is needed, please contact me at 575-914-1461 or by email at mjp1692@gmail.com.

Sincerely,



Melanie J. Wilson
Regulatory Analyst
Mesquite SWD, Inc.

Enclosure

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance ☒ Disposal Storage
Application qualifies for administrative approval? Yes No
- II. OPERATOR: Mesquite SWD, Inc.
ADDRESS: PO Box 1479, Carlsbad, NM 88221-1479
CONTACT PARTY: Melanie Wilson PHONE: 575-914-1461
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? Yes ☒ No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: Melanie Wilson TITLE: Regulatory Analyst
SIGNATURE: Melanie Wilson DATE: 7/25/2018
E-MAIL ADDRESS: mjp1692@gmail.com
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

III. WELL DATA

- A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

- B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-	Pool Code 96101	Pool Name SWD; DEVONIAN
Property Code	Property Name LAGUNA SALADA 7 SWD	Well Number 1
OGRID No. 161968	Operator Name MESQUITE SWD	Elevation 2991.1'

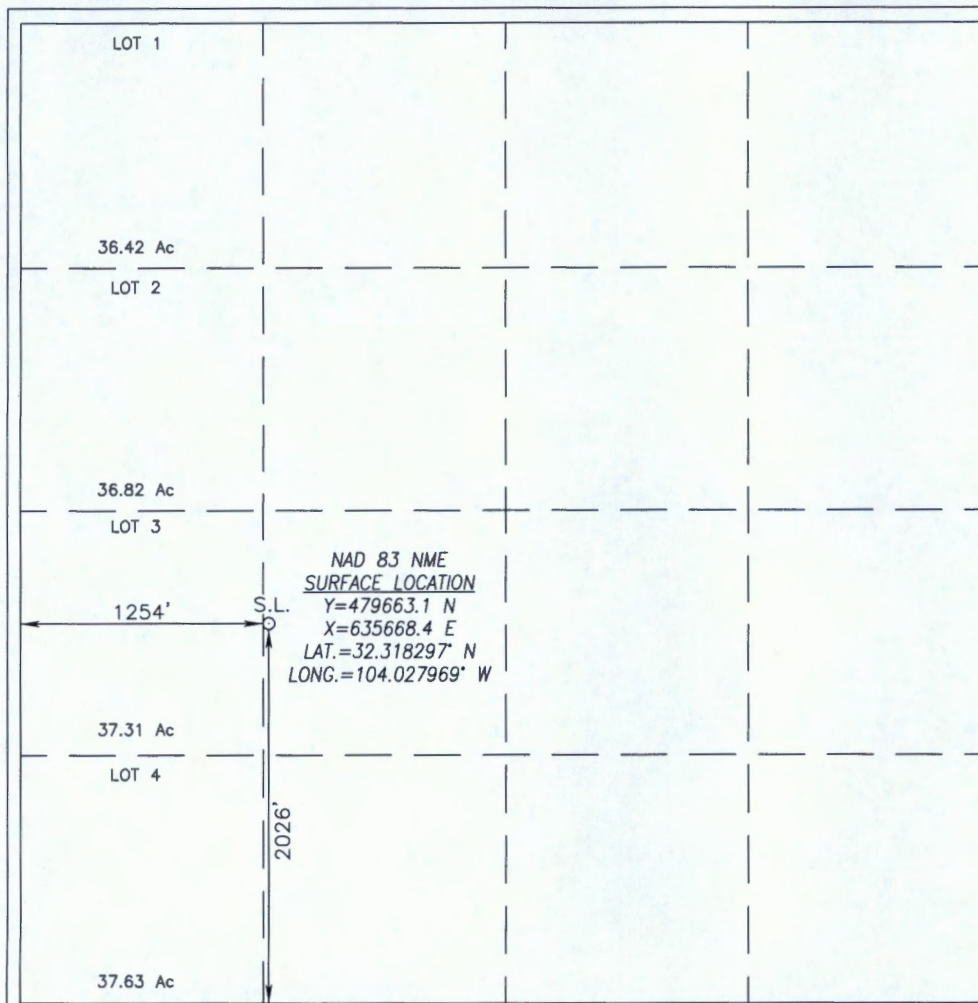
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	7	23-S	29-E		2026	SOUTH	1254	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Melanie J. Wilson 05/29/2018

Signature Date

Melanie J. Wilson

Printed Name

mjp1692@gmail.com

E-mail Address

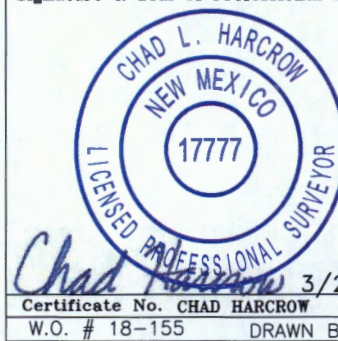
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

MARCH 1, 2018

Date of Survey

Signature & Seal of Professional Surveyor



INJECTION WELL DATA SHEET

OPERATOR: Mesquite SWD, Inc.

WELL NAME & NUMBER: Laguna Salada 7 SWD #1

WELL LOCATION: 2026' FSL & 1254' FWL L 7 23S 29E
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGE

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 26" Casing Size: 20" 94# J55 BTC
Cemented with: 400 sx or ft³
Top of Cement: Surface Method Determined: Circulate

1st Intermediate Casing

Hole Size: 17.5" Casing Size: 13.375" 54.5# NE80 BTC
Cemented with: 1450 sx or ft³
Top of Cement: Surface Method Determined: Circulate

2nd Intermediate Casing

Hole Size: 12.25" Casing Size: 9.625" 53.5# P110 BTU
Cemented with: 2200 sx or ft³
Top of Cement: Surface Method Determined: Circulate

Liner

Hole Size: 8.5" Casing Size: 7.625" 39# ECP-110 J-2/STL FJ
Cemented with: 200 sx or ft³
Top of Cement: 9400' Method Determined: Opr

Total Depth: Approx. 15,700'

Injection Interval

Approximately 14500' To 15700'

(Perforated or Open Hole; indicate which) Open Hole

Tubing Size: Tapered string 7" 26# P110 / 5.5" 20# P110 JFE Bear Lining Material: Fiberglass coated

Type of Packer: Lok-Set or equivalent

Packer Setting Depth: Approximately 14,500'

Other Type of Tubing/Casing Seal (if applicable):

Additional Data

1. Is this a new well drilled for injection? X Yes No

If no, for what purpose was the well originally drilled? _____

2. Name of the Injection Formation: Siluro-Devonian

3. Name of Field or Pool (if applicable): SWD; Devonian

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used New drill

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Delaware & Bone Spring horizons all above approximately 9770'

For what purpose was the well originally drilled? _____

Mesquite SWD, Inc.
Laguna Salada 7 SWD #1
 API #30-015-
 2026' FSL & 1254' FWL
 Section 7, T23S, R29E, Eddy County, NM

Proposed Well Bore Diagram

KB: 2994'
 GL: 2973'

Surface Casing

Size: 20" 94# J-55 BTC
 Set @: 350'
 Sx Cmt: 400
 TOC: Surf
 Hole Size: 26"

1st Intermediate Casing

Size: 13 3/8" 54.5# NE80 BTC
 Set @: 2650'
 Sx Cmt: 1450
 TOC: Surf
 Hole Size: 17 1/2"

2nd Intermediate Casing

Size: 9 5/8" 53.5# P-110 BTU
 Set @: 9900'
 Sx Cmt: 2200
 TOC: Surf
 Hole Size: 12 1/4"

Liner

Size: 7 5/8" 39# ECP-110 J-2/STL FJ
 Top: 9400'
 Set @: 14500'
 Sx Cmt: 200
 TOC: 9400'
 Hole Size: 8 1/2"

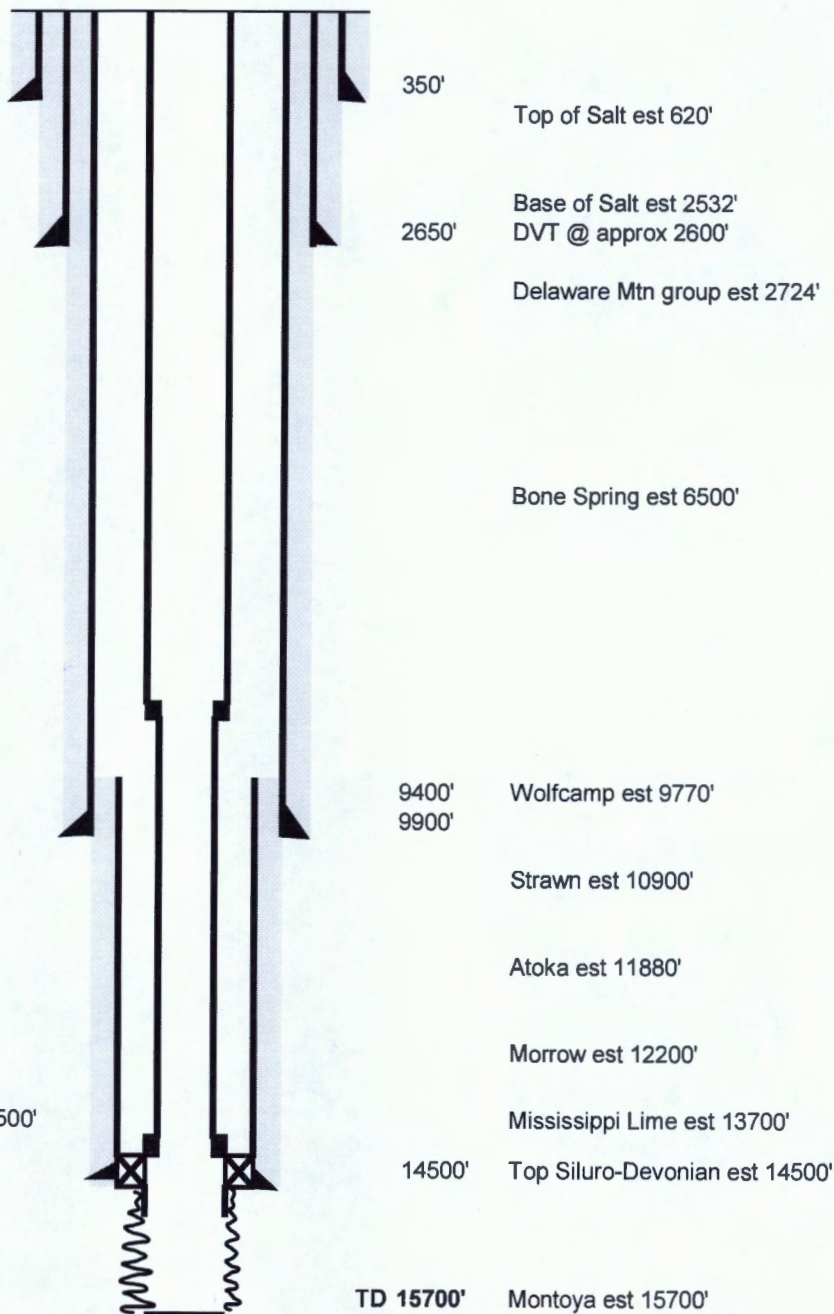
Open Hole

Interval: 14500'-15700'
 Hole Size: 6 1/2"

Tubing

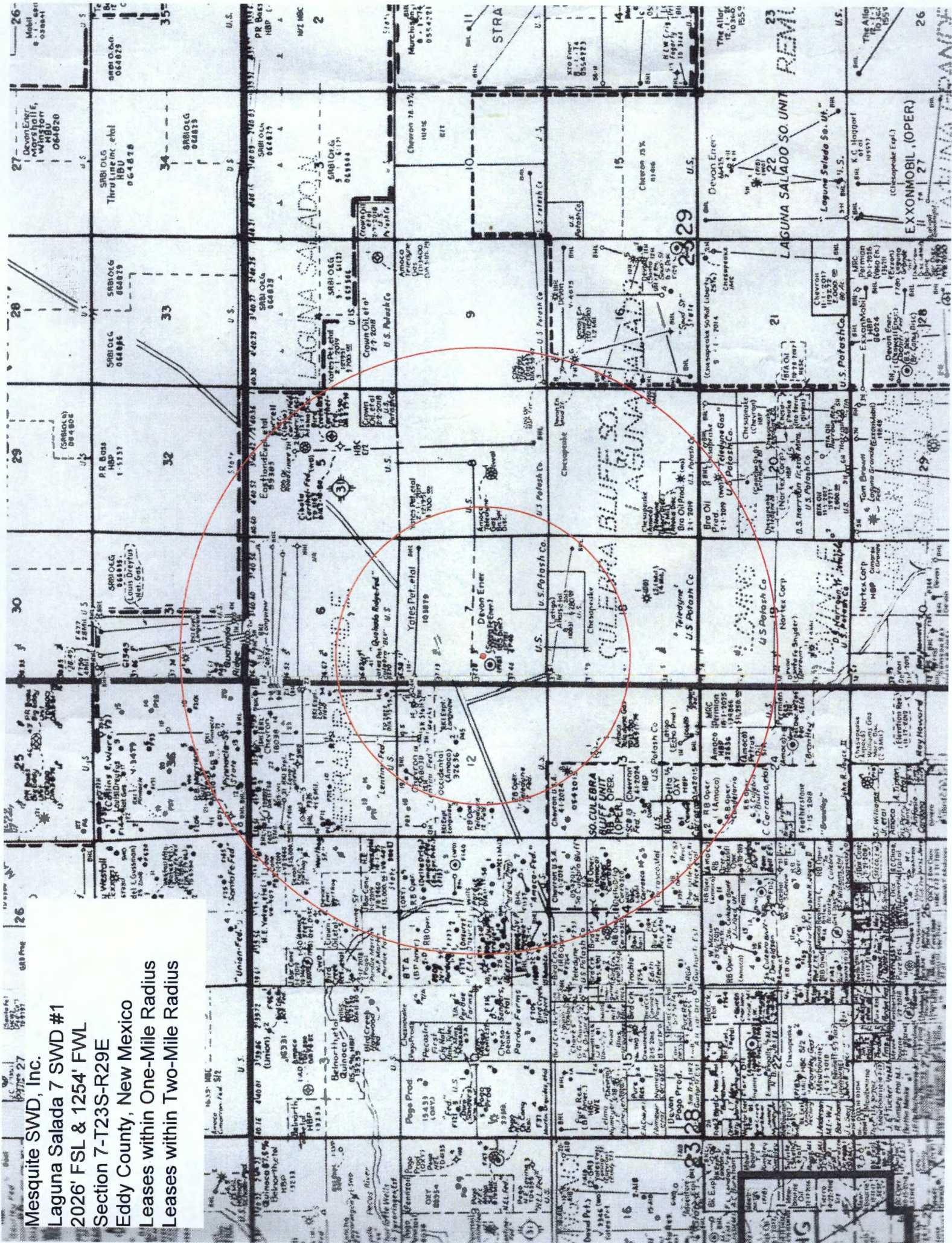
7" 26# P-110 Tbg @ 9105'
 7" x 5 1/2" X-Over @ 9200'
 5 1/2" 20# JFE Bear Tbg @ 14495'
 7 5/8" x 5 1/2" Dual Bore Permapak Packer @ 14500'

Open hole acid if required
 Tubing annulus w/corrosion inhibitor
 Complete surface head for disposal

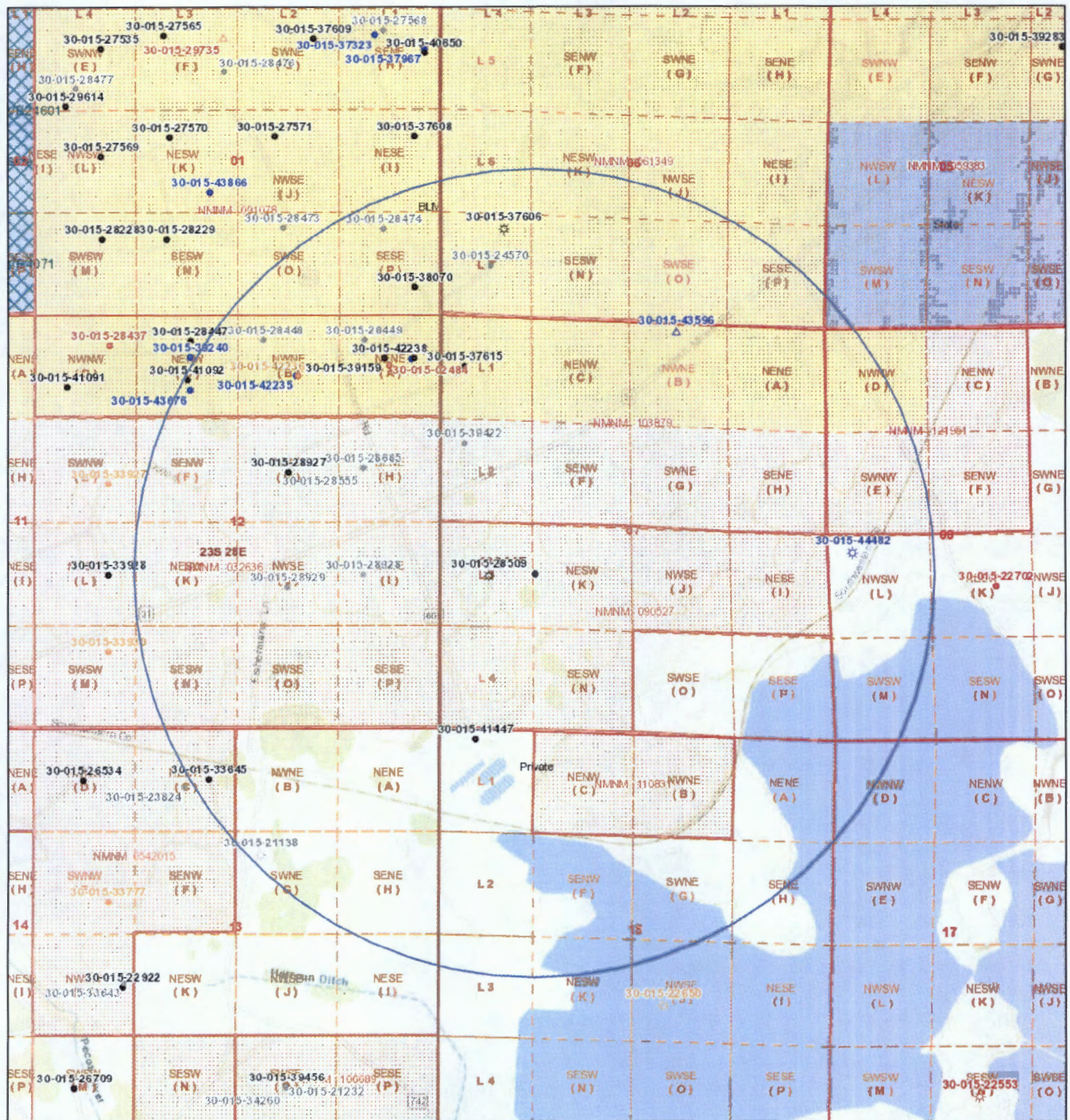


Not to Scale

Mesquite SWD, Inc.
Laguna Salada 7 SWD #1
2026' FSL & 1254' FWL
Section 7-T23S-R29E
Eddy County, New Mexico
Leases within One-Mile Radius
Leases within Two-Mile Radius



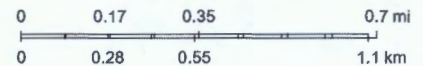
Laguna Salada 7 SWD #1 - One Mile Area of Review



May 15, 2018

- Override 1
- Well Locations - Small Scale**
 - Active
 - New
 - Plugged
 - Cancelled
 - Temporarily Abandoned
- 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

1:15,273



U.S. BLM, Texas Parks & Wildlife, Esri, HERE, Garmin, INCREMENT P, USGS, METI/NASA, EPA, USDA, OCD, BLM

VI.

Wells in Area of Review

API	Current Operator	Well Name	Well Number	Type	Vertical/ Horizontal	Status	Sec	T	R	OCD Unit Letter	Footages	Formation	MD	TVD
30-015-37606	RKI EXPLORATION & PRODUCTION, LLC	LONGVIEW DEEP FEDERAL 6	#041	Gas	Vertical	Active	6	23S	29E	M	1140 FSL, 840 FWL	Morrow	13198	13198
30-015-37615	EOG Y RESOURCES, INC.	CULEBRA BLV FEDERAL COM	#001H	Oil	Horizontal	Active	7	23S	29E	D	660 FNL, 330 FWL	Delaware	12805	6101
						BHL	8	23S	29E	C	783 FNL, 2010 FWL			
30-015-28509	TAP ROCK OPERATING, LLC	H F 7 FEDERAL COM	#001	Gas	Vertical	Active	7	23S	29E	L	1980 FSL, 660 FWL	Brushy Canyon Bone Spring	12063	12063
30-015-44482	TITUS OIL & GAS, LLC	SALT LAKE	#504H	Gas	Horizontal	New	8	23S	29E	L	2421 FSL, 341 FWL	Wolfcamp	21024	NYD
						BHL	9	23S	29E	I	2182 FSL, 330 FEL			
30-015-41447	OXY USA INC	BANK 18 FEDERAL COM	#001H	Oil	Horizontal	Active	18	23S	29E	D	133 FNL, 485 FWL	Bone Spring	12681	8541
						BHL	18	23S	29E	A	790 FNL, 446 FEL			
30-015-38070	RKI EXPLORATION & PRODUCTION, LLC	LONGVIEW FEDERAL 1	#044	Oil	Vertical	Active	1	23S	28E	P	360 FSL, 330 FEL	Delaware	7737	7737
30-015-02484	PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#001	Oil	Vertical	P&A	12	23S	28E	A	660 FNL, 660 FEL		2844	2844
30-015-39159	RKI EXPLORATION & PRODUCTION, LLC	LONGVIEW FEDERAL 12	#014	Oil	Vertical	Active	12	23S	28E	A	560 FNL, 730 FEL	Bone Spring	7750	7750
30-015-42238	RKI EXPLORATION & PRODUCTION, LLC	LONGVIEW FEDERAL 12	#004H	Oil	Horizontal	Active	12	23S	28E	A	565 FNL, 335 FEL	Bone Spring	13950	8440
						BHL	1	23S	28E	A	330 FNL, 435 FEL			
30-015-42236	RKI EXPLORATION & PRODUCTION, LLC	LONGVIEW FEDERAL 12	#002H	Oil	Horizontal	Expired TA	12	23S	28E	B	780 FNL, 1855 FEL	Bone Spring	14015	8332
						BHL	1	23S	28E	B	330 FNL, 1711 FEL			
30-015-43596	RKI EXPLORATION & PRODUCTION, LLC	LONGVIEW FEDERAL 12 SWD	#005	SWD	Vertical	Expired APD	12	23S	28E	B	210 FNL, 1665 FEL	Devonian		
30-015-39240	RKI EXPLORATION & PRODUCTION, LLC	LONGVIEW FEDERAL 12	#012	Oil	Vertical	New	12	23S	28E	C	540 FNL, 2060 FWL	Bone Spring	9200	NYD
30-015-41092	RKI EXPLORATION & PRODUCTION, LLC	LONGVIEW FEDERAL 12	#015H	Oil	Horizontal	Active	12	23S	28E	C	835 FNL, 2010 FWL	Bone Spring	14000	8398
						BHL	1	23S	28E	C	348 FNL, 2332 FWL			
30-015-28447	CHEVRON U S A INC	LENTINI 12 FEDERAL	#019	Oil	Vertical	Active	12	23S	28E	C	330 FNL, 2050 FWL	Delaware	6371	6371
30-015-28927	RAY WESTALL OPERATING, INC.	H F 12 FEDERAL	#002	Oil	Vertical	Active	12	23S	28E	G	2030 FNL, 1980 FEL	Delaware	6538	6538
30-015-44511	INTREPID POTASH - NEW MEXICO, LLC	INTREPID SWD	#001	SWD	Vertical	New	12	23S	28E	P	1030 FSL, 910 FEL	Devonian-Silurian	15900	NYD
30-015-33645	ROCKCLIFF OPERATING NEW MEXICO LLC	SCB 13 FEDERAL	#008	Oil	Vertical	Active	13	23S	28E	C	660 FNL, 2310 FWL	Brushy Canyon	6484	6484

No wells drilled within the one-mile Area of Review penetrate the proposed injection interval.

Mesquite SWD, Inc.
Laguna Salada 7 SWD #1
2026' FSL & 1254' FWL
Section 7, T23S, R29E
Eddy County, New Mexico

API Not Issued

Item VII:

1. The maximum injected volume anticipated is 40,000 BWPD. Average anticipated is 30,000 BWPD.
2. Injection will be through a closed system.
3. Maximum injection pressure is expected to be 2,900 psi, or as controlled by depth.
4. Disposal sources will be produced waters that, based upon regional experience, are compatible with known waters in the disposal zone.
5. An analysis of water produced from the Devonian formation is attached. Analysis obtained from Go-Tech website.

Item VII(b) continued):

Sec 22, T25S, R28E

Bone Spring

Water Analysis Report by Baker Petrolite

North Permian Basin Region
P.O. Box 740
Sundown, TX 78372-0740
(505) 229-8121
Lab Team Leader - Sheila Hernandez
(432) 495-7260

Company:		Sales RDT:	33514.1
Region:	PERMIAN BASIN	Account Manager:	TONY HERNANDEZ (575) 810-7135
Area:	ARTESIA, NM	Sample #:	534555
Lease/Platform:	PINOCHLE BPN STATE COM	Analysis ID #:	108785
Entity (or well #):	2 H	Analysis Cost:	\$90.00
Formation:	UNKNOWN		
Sample Point:	WELLHEAD		

Summary		Analysis of Sample 534555 @ 75 °F					
Sampling Date:	03/10/11	Anions	mg/l	meq/l	Cations	mg/l	meq/l
Analysis Date:	03/15/11	Chloride:	108816.0	3081.92	Sodium:	70775.7	3054.92
Analyst:	SANDRA GONZALEZ	Bicarbonate:	1135.0	34.89	Magnesium:	195.0	18.04
TD# (mg/l or g/m3):	104911.1	Carbonate:	0.0	0.0	Calcium:	844.0	42.12
Density (g/cm3, tonnes/m3):	1.113	Sulfate:	747.0	15.55	Strontium:	220.0	0.63
Anion/Cation Ratio:	1	Phosphate:			Barium:	0.0	0.01
		Silicate:			Bromine:	0.0	0.00
		Sulfate:			Potassium:	889.0	22.22
Carbon Dioxide:	0.50 PPM	Hydrogen Sulfide:		0 PPM	Aluminum:		
Oxygen:		pH at time of sampling:		7	Chromium:		
Comments:		pH at time of analysis:			Copper:		
		pH used in calculation:		7	Lead:		
					Manganese:	0.100	0.0
					Nickel:		

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 gal										
Temp	Gauge Press.	Calcite CaCO ₃		Gypsum CaSO ₄ ·2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄		CO ₂ Press.
°F	psi	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	psi
60	0	1.06	188.52	-1.29	0.00	-1.15	0.00	-0.11	0.00	0.56	0.29	1.72
100	0	1.10	203.05	-1.29	0.00	-1.20	0.00	-0.15	0.00	0.35	0.29	2.35
130	0	1.12	224.17	-1.38	0.00	-1.19	0.00	-0.17	0.00	0.16	0.00	3.17
140	0	1.13	243.17	-1.42	0.00	-1.18	0.00	-0.18	0.00	0.00	0.00	4.21

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.
Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the two scales.
Note 3: The reported CO₂ pressure is actually the calculated CO₂ fugacity. It is usually nearly the same as the CO₂ partial pressure.

Mesquite SWD, Inc.
Laguna Salada 7 SWD #1

API Not Issued

Item VII(a):

Water samples from the regional area.

Woltcamp



Water Analysis

Date: 23-Aug-11

2708 West County Road, Hobbs NM 88240
Phone (575) 392-5556 Fax (575) 392-7307

Analyzed For

Brushy Draw 1#1

Company	Well Name	County	State
	BD	Lee	New Mexico

Sample Source

Swab Sample

Sample #

1

Formation

Depth

Specific Gravity	1.170	SG @ 60 °F	1.172
pH	8.30	Sulfides	Absent
Temperature (°F)	70	Reducing Agents	

Cations

Sodium (Calc)	in Mg/L	77,052	in PPM	68,520
Calcium	in Mg/L	4,000	in PPM	3,413
Magnesium	in Mg/L	1,200	in PPM	1,024
Soluble Iron (FE2)	in Mg/L	10.0	in PPM	9

Anions

Chlorides	in Mg/L	130,000	in PPM	110,922
Sulfates	in Mg/L	250	in PPM	213
Bicarbonates	in Mg/L	127	in PPM	108
Total Hardness (as CaCO3)	in Mg/L	15,000	in PPM	12,799
Total Dissolved Solids (Calc)	in Mg/L	213,549	in PPM	182,209
Equivalent NaCl Concentration	in Mg/L	182,668	in PPM	158,031

Scaling Tendencies

Calcium Carbonate Index 507,520

Below 500,000 Remote / 500,000 - 1,000,000 Possible / Above 1,000,000 Probable

Calcium Sulfate (Gyp) Index 1,000,000

Below 500,000 Remote / 500,000 - 10,000,000 Possible / Above 10,000,000 Probable

This Calculation is only an approximation and is only valid before treatment of a well or several weeks after treatment.

Remarks RW=.048@70F

C-108 Item VII.5 - Produced Water Data

Laguna Salada 7 SWD #1

Water Analysis from Injection Zone

Well Name	BELL LAKE UNIT #006	FtgN/S	660S
API	3002508483	FtgE/W	1980E
Lat	32.3282585	County	LEA
Long	-103.507103	State	NM
Section	6	Field	BELL LAKE NORTH
T	23S	Formation	DEVONIAN
R	34E		
Unit	O		

Depth

LabNo.

Sample No.

Sample Source

HEATER TREATER

Water Type

Sample Date

Analysis Date

ph	7	barium_mgL	
ph temp F		magnesium_mgL	
Specific Gravity		potassium_mgL	
SG Temp F		strontium_mgL	
TDS mgL	71078	manganese_mgL	
TDS mgL 180C		chloride_mgL	42200
alkalinity_as_caco3_mgL		carbonate_mgL	
hardness_as_caco3_mgL		bicarbonate_mgL	500
hardness_mgL		sulfate_mgL	1000
resistivity_ohm_cm		hydroxide_mgL	
resistivity_ohm_cm_temp_F		h2s_mgL	
conductivity		co2_mgL	
conductivity_temp_F		o2_mgL	
sodium_mgL		anionremarks	
calcium_mgL		generalinforemarks	
iron_mgL		CorrectFlag	TRUE

Water analysis from Go-Tech Produced Water Database

Mesquite SWD, Inc.
Laguna Salada 7 SWD #1
2026' FSL & 1254' FWL
Section 7, T23S, R29E
Eddy County, New Mexico

API Not Issued

Item VIII:

Geologic Formation:	Devonian/Silurian
Estimated Top:	14,500'
Thickness:	1,200'
Lithology:	Limestone w/Interbedded Dolomites

According to the New Mexico Office of the State Engineer's website, there is one fresh water well within one-mile radius of the proposed SWD. Depth to fresh water is 20'.

Mesquite SWD, Inc. was unable to obtain an analysis of water from this well. An analysis of water from water well C-00500 is attached, which is approximately two miles from the proposed SWD.

The surface geology of the greater area, including the two-mile radius as shown in Item V above, is Quaternary eolian and piedmont deposits of Holocene to middle Pleistocene age and Permian Castile formation. These are underlain by Permian formation and evaporites.

Item IX:

Formation chemical stimulation may be applied after completion. No other stimulation is currently planned.

Item X:

Logs will be filed with the OCD upon completion of the well. Density-Neutron is planned from surface to TD.

Item XI:

According to the website of the NM Office of the State Engineer, there is one water well within one mile of the proposed Laguna Salada 7 SWD #1 well. Please note Item VIII discussion above. A water analysis from water well C-00500 in NW/4 Section 24, T23S, R28E is attached, which is not within the Area of Review.

Item XII:

Affirmative statement is attached.

Item XIII:

Proof of Notice is attached.



New Mexico Office of the State Engineer Wells with Well Log Information

(A CLW#### in the
POD suffix indicates the
POD has been replaced &
no longer serves a water
right)

(R=POD has
been replaced,
O=orphaned,
C=the file is
closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest)

(NAD83 UTM in meters)

(in feet)

POD Number	Code	Subbasin	County	Source	64 16 4	Sec	Tws	Rng	X	Y	Distance	Start Date	Finish Date	Log File Date	Depth Well	Depth Water	Driller	License Number
C 02702		C	ED	Shallow		2	13	23S 28E	590715	3575108*		1288	05/22/1111	08/28/2000	38	20		1348

Record Count: 1

UTMNA83 Radius Search (in meters):

Eastings (X): 591496.78

Northings (Y): 3576132.36

Radius: 1610

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

6/5/18 1:28 PM

WELLS WITH WELL LOG INFORMATION

Mesquite SWD, Inc.
Laguna Salada 7 SWD #1

Water Analysis from Water Well C-00500
Section 24, T23S, R28E, Eddy County, NM

Analytical Report

Lab Order 1705094

Date Reported: 5/10/2017

Hall Environmental Analysis Laboratory, Inc.

CLIENT: Whitenton Group Inc

Client Sample ID: Mosaic Carrasco Well

Project: Oxy/Centurion

Collection Date: 5/1/2017 4:20:00 PM

Lab ID: 1705094-002

Matrix: AQUEOUS

Received Date: 5/2/2017 9:45:00 AM

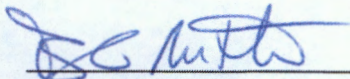
Analyses	Result	PQL	Qual	Units	DF	Date Analyzed	Batch
EPA METHOD 300.0: ANIONS							Analyst: MRA
Fluoride	0.88	0.50		mg/L	5	5/3/2017 1:54:17 AM	A42488
Chloride	510	25	*	mg/L	50	5/3/2017 11:04:13 PM	R42532
Nitrogen, Nitrite (As N)	ND	2.0		mg/L	20	5/3/2017 2:06:42 AM	A42488
Nitrogen, Nitrate (As N)	10	0.50	*	mg/L	5	5/3/2017 1:54:17 AM	A42488
Phosphorus, Orthophosphate (As P)	ND	10		mg/L	20	5/3/2017 2:06:42 AM	A42488
Sulfate	520	25	*	mg/L	50	5/3/2017 11:04:13 PM	R42532
SM2510B: SPECIFIC CONDUCTANCE							Analyst: JRR
Conductivity	8100	1.0		µmhos/cm	1	5/4/2017 2:49:37 PM	R42568
SM2320B: ALKALINITY							Analyst: JRR
Bicarbonate (As CaCO3)	208.2	20.00		mg/L CaCO3	1	5/4/2017 2:49:37 PM	R42568
Carbonate (As CaCO3)	ND	2.000		mg/L CaCO3	1	5/4/2017 2:49:37 PM	R42568
Total Alkalinity (as CaCO3)	208.2	20.00		mg/L CaCO3	1	5/4/2017 2:49:37 PM	R42568
SM2540C MOD: TOTAL DISSOLVED SOLIDS							Analyst: KS
Total Dissolved Solids	6570	20.0	*	mg/L	1	5/5/2017 5:44:00 PM	31567
SM4500-H+B: PH							Analyst: JRR
pH	7.31		H	pH units	1	5/4/2017 2:49:37 PM	R42568
EPA METHOD 6010B: DISSOLVED METALS							Analyst: MED
Calcium	760	10		mg/L	10	5/4/2017 9:20:14 AM	A42530
Magnesium	250	10		mg/L	10	5/4/2017 9:20:14 AM	A42530
Potassium	7.0	1.0		mg/L	1	5/4/2017 9:13:56 AM	A42530
Sodium	1000	50		mg/L	50	5/8/2017 12:05:01 PM	A42604

Refer to the QC Summary report and sample login checklist for flagged QC data and preservation information.

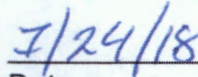
Qualifiers:	*	Value exceeds Maximum Contaminant Level.	B	Analyte detected in the associated Method Blank
	D	Sample Diluted Due to Matrix	E	Value above quantitation range
	H	Holding times for preparation or analysis exceeded	J	Analyte detected below quantitation limits
	ND	Not Detected at the Reporting Limit	P	Sample pH Not In Range
	R	RPD outside accepted recovery limits	RL	Reporting Detection Limit
	S	% Recovery outside of range due to dilution or matrix	W	Sample container temperature is out of limit as specified

Form C-108
Affirmative Statement
Mesquite SWD, Inc.
Laguna Salada 7 SWD #1
Section 13, T23S, R28E, NMPM
Eddy County, New Mexico

Available geologic and engineering data has been examined and no evidence of open faults or hydrological connection between the injection zone and any underground sources of drinking water has been found.



Riley Neatherlin
Operations Manager
Mesquite SWD, Inc.



Date

Mesquite SWD, Inc.
Laguna Salada 7 SWD #1
2026' FSL & 1254' FWL
Section 7, T23S, R29E
Eddy County, New Mexico

API Not Issued

Item XIII: Proof of Notice

Surface Owner:

Mosaic Potash Carlsbad NM
1361 Potash Mines Road
Carlsbad, NM 88220

FedEx Tracking No.

7724 0353 8381

Offset Operators:

Chevron USA, Inc.
6301 Deauville Blvd.
Midland, TX 79706

Section 6, T23S, R29E
Section 1, T23S, R28E

7723 9957 9455

Devon Energy Production Company, LP
333 W Sheridan Ave.
Oklahoma City, OK 73102

7723 9955 7895

RKI Exploration & Production LLC
3817 NW Expressway, Suite 950
Oklahoma City, OK 73112

Section 1, T23S, R28E

7724 0408 2325

Ray Westall Operating, Inc.
132447 Lovington Hwy
Loco Hills, NM 88255

Section 12, T23S, R28E

7724 0409 5450

OXY USA, Inc.
5 Greenway Plaza
Houston, TX 77046

Section 12, T23S, R28E

7723 9960 4850

Rockcliff Operating New Mexico LLC
1301 McKinney, Suite 1300
Houston, TX 77010

Section 13, T23S, R28E

7724 0346 9962

EOG Resources, Inc.
104 S Fourth St.
Artesia, NM 88210

Sections 7 and 8, T23S, R29E

7723 9952 1070

Tap Rock Operating LLC
602 Park Point Dr, Suite 200
Golden, CO 80401

Section 7, T23S, R29E

7723 9962 6156

Echo Production, Inc.
616 5th Street
Graham, TX 76450

Section 18, T23S, R29E

7724 0410 5617

Eastland Oil Company
415 W Wall St., Suite 1415
Midland, TX 79701

Section 5, T23S, R29E

7724 0411 4622

Titus Oil & Gas
100 Throckmorton St., Suite 1630
Ft Worth, TX 76102

Section 8, T23S, R29E

7724 0412 4829

BTA Oil Producers, LLC
104 South Pecos
Midland, TX 79701

Section 17, T23S, R29E

7728 2093 3899

Affidavit of Publication

No. 24686

State of New Mexico

County of Eddy:

Danny Scott

being duly sworn says that she is the

of the Artesia Daily Press, a daily newspaper of General circulation, published in English at Artesia, said county and state, and that the hereto attached

Legal Ad

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for

1 Consecutive weeks/day on the same day as follows:

First Publication May 27, 2018

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Sixth Publication

Seventh Publication

Subscribed and sworn before me this

29th day of May 2018



OFFICIAL SEAL
Latisha Romine
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 5/12/2019

Latisha Romine

Latisha Romine

Notary Public, Eddy County, New Mexico

Copy of Publication:

Legal Notice

Mesquite SWD, Inc., c/o Riley Neatherlin, PO Box 1479, Carlsbad, NM 88221-1479, 575-887-0980, is seeking administrative approval from the New Mexico Oil Conservation Division to drill the Laguna Salada 7 SWD #1, API not issued, located 2026' FSL & 1254' FWL, Section 7, T23S, R29E, Eddy County, NM, approximately 4.2 miles northeast of Loving, NM, for commercial produced water disposal. The proposed disposal interval is the Siluro-Devonian formation in open-hole interval approximately 14,500' to 15,700', at a maximum pressure of 3000 psi and a maximum rate of 40,000 BWPD. Parties with questions regarding this proposal may contact Riley Neatherlin at the address or phone number above. Parties must file objections or requests for hearing within 15 days of this publication to the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, NM 87505.

Published in the Artesia Daily Press, Artesia, N.M., May 27, 2018 Legal No. 24686.