

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - 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

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

- SUD 1530
 - Mesquite SWD, Inc
 161968
 WEX
 - Harpach Federal #1
 30-015-21248
 Pool
 - SWD, Devonian-Silurian
 97869

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **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.

KAY HAVEMOR See Application for Injection Agent 12/20/2014
 Print of Type Name Signature Title Date

 e-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance X Disposal _____ Storage
Application qualifies for administrative approval? X Yes _____ No

II. OPERATOR: Mesquite SWD, Inc.

ADDRESS: P.O. Box 1479 Carlsbad, NM 88221

CONTACT PARTY: Kay Havenor PHONE: 575-626-4518

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 X 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: Kay Havenor TITLE: Agent

SIGNATURE: *Kay Havenor* DATE: 12/20/2014

E-MAIL ADDRESS: Kay@georesources.com 575-626-4518

* 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.

INJECTION WELL DATA SHEET

OPERATOR: Mesquite SWD, Inc. API 30-015-21248WELL NAME & NUMBER: Huapache Federal SWD # 1WELL LOCATION: 660' FSL & 2245' FEL O 30 25S 25E
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGEWELLBORE SCHEMATIC

See attached well diagram

WELL CONSTRUCTION DATASurface CasingHole Size: 17-1/2" Casing Size: 13-3/8" 48# H-40 STCCemented with: 308 sx. *or* _____ ft³Top of Cement: Surface Method Determined: OprIntermediate CasingHole Size: 12-1/4" Casing Size: 9-5/8" 32/36# H40/K55Cemented with: 1100 sx. *or* _____ ft³Top of Cement: Surface Method Determined: Calc excessProduction CasingHole Size: 8-3/4" Casing 7" 26/28# HCP-110, L/N 80Cemented with: 2200 sx staged *or* _____ ft³Top of Cement: Surface Method Determined: _____Total Depth: approx 13,000'Injection IntervalPerfs 12,800-12950'

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 4-1/2" 11.6# N-80/P-110 LTC Lining Material: IPC 1850 coated

Type of Packer: Lok-Set or equivalent

Packer Setting Depth: Approx 12,750 ft

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

Additional Data

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

If no, for what purpose was the well originally drilled? Oil/gas

2. Name of the Injection Formation: Siluro-Devonian

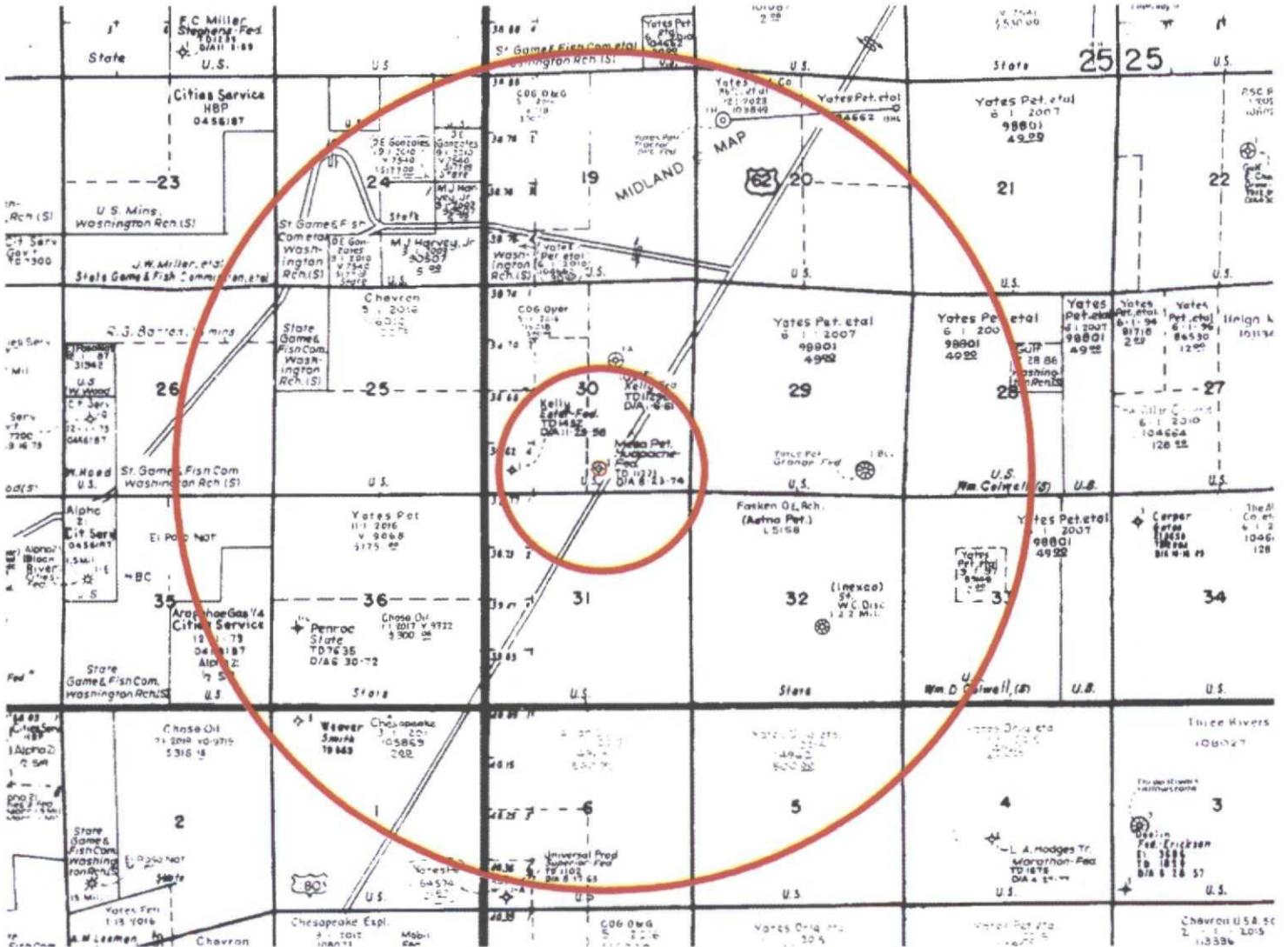
3. Name of Field or Pool (if applicable): _____

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. No

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Wolfcamp gas well in Sec. 32 and Morrow gas well in Sec. 29.

Item V:

Area of Review
1/2 Mile AOR and 2 Mile Radius

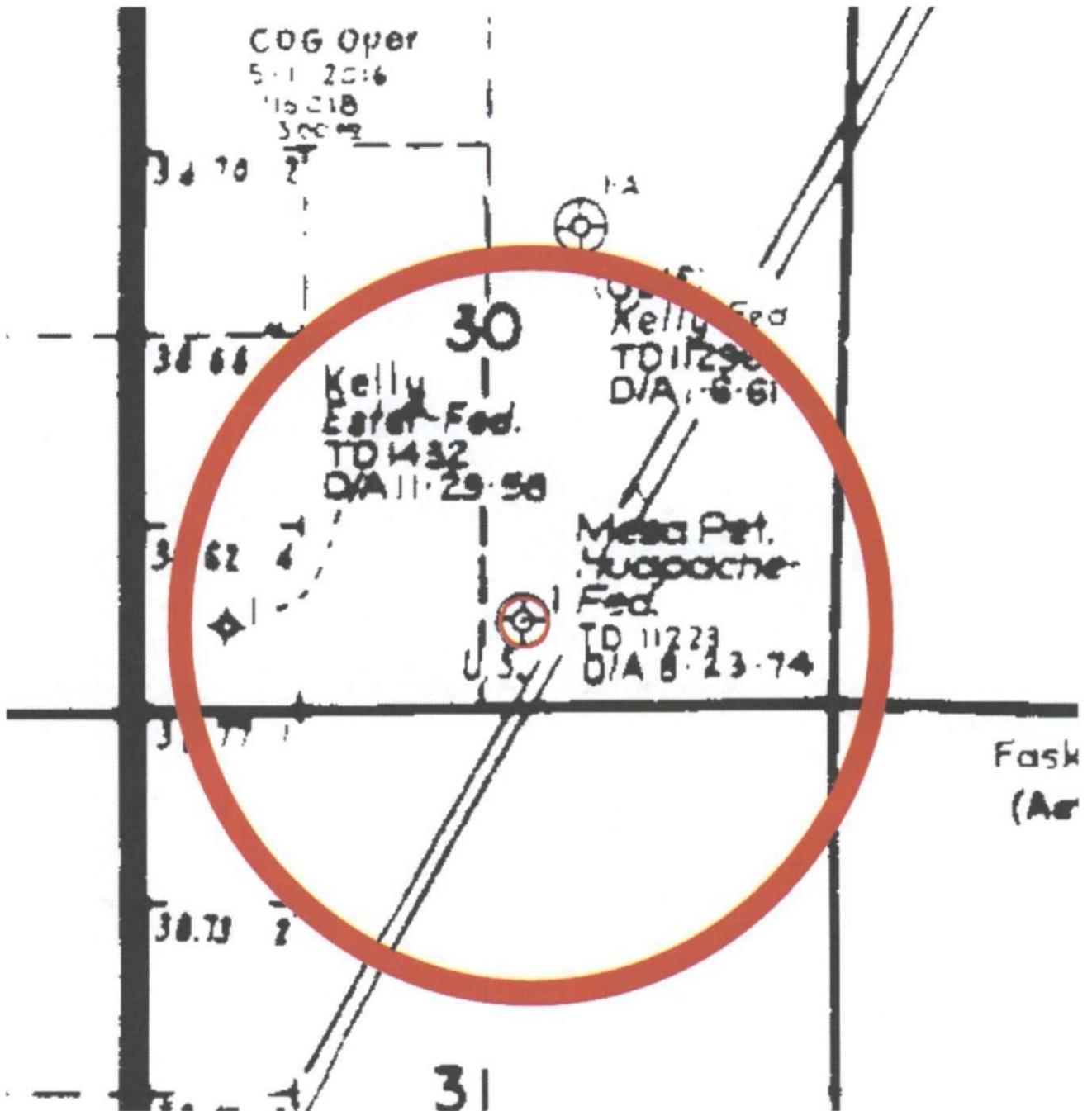


Huapache Federal SWD #1
660' FSL & 2245' FEL
Sec. 30, T25S-R25E
Eddy County, NM

30-015-21248

Item V(a):

Enlarged View of AOR
Sec. 30, T25S-R25E
Eddy Co., NM



Huapache Federal SWD #1
 660' FSL & 2245' FEL
 Sec. 30, T25S-R25E
 Eddy County, NM

30-015-21248

Item VI: Data on wells in AOR.

API	WELL_NAME	STATUS	SDIV	SEC	TWN	RANGE	FTG_	NS	FTG	EW	OCD	OPERATOR	WELL	LAND	PLUG_DATE	SPUD	ELEVGL	TVD_DEPTH
3001521248	HUAPACHE FEDERAL 001	Plugged	O	30	25.0S	25E	660	S	2245	E	O	MESA PETROLEUM CO	O	F	26-Aug-74	4-Jul-74	3552	11233

Item VI(a): Construction of well in the AOR:

1. 30-015-21248 Mesa Petroleum Company Huapache Federal No. 1. Unit O, Sec. 30, T25S-R25E, 13-3/8" @ 308' 42# H-40 w/350 sxs cmt circulated. 9-5/8" 32# K-55 @ 2,023' w/1,100 sxs cmt circulated. TD 8-3/4" hole @ 11,220'. P&A w/50 sxs 11,037-11,157', 50 sxs 9838-9958'. 50 sxs 7727-7847', 50 sxs 6181-6301', 50 sxs 4798-4906 (T/Bone Springs), 50 sxs 2544-2644', 10 sxs to 3' of surface. P&A 8/23/74

Huapache Federal SWD #1
 660' FSL & 2245' FEL
 Sec. 30, T25S-R25E
 Eddy County, NM

30-015-21248

Item VII:

1. The maximum injected volume anticipated is 25,000 BWPD. Average anticipated is 17,000 BWPD.
2. Injection will be through a closed system.
3. Maximum injection pressure is expected to be 2560 psi.
4. Sources will be produced water from the greater area may include Delaware, Bone Springs and other Permian Basin produced waters.
5. Water sample analysis below is Delaware Formation 30-015-29003 1980' FSL and 660' FWL, Sec. 6, T25S-R27E, Eddy Co. See figure from Chevron below. That Delaware water sample had 109,130 ppm TDS and is representative of many Permian waters. The Siluro-Devonian is regional known to readily accept Permian Basin produced waters.

CHEVRON-EUNICE, NM ID: 505-397-8771 OCT 29 1996 10:22 No. 003 F. 02

UNICHEM
 A Division of B.J. Services Company

Lab Test No.: 13000

Chevron

Post-It Ink Note	7671	Date	10/29	Lab No.	13000
To	Nathan Hanson	From	John O'Brien		
Co./Dept.	CUSA	Co.	Uniche		
Phone #		Phone #			
Fax #	394-1293	Fax #	393-1150		

Sample Date: 10/2/96
 Lab Date In: 10/10/96
 Lab Date Out: 10/29/96

Water Analysis

Listed below please find water analysis report from: White City 6 Fed #1

Specific Gravity:	1.078
Total Dissolved Solids:	109130
pH:	
Conductivity (umhos):	
Ion Strength:	2.171
Cations:	
Calcium (Ca ⁺⁺):	580
Magnesium (Mg ⁺⁺):	6000
Sodium (Na ⁺):	3430
Iron (Fe ⁺⁺):	32633
Disolved Iron (Fe ⁺⁺):	22.90
Barium (Ba ⁺⁺):	4.60
Strontium (Sr):	
Manganese (Mn ⁺⁺):	6.30
Resistivity:	
Anions:	
Bicarbonate (HCO ₃ ⁻):	
Carbonate (CO ₃ ⁻):	
Hydroxide (OH ⁻):	0
Sulfate (SO ₄ ⁻):	67
Chloride (Cl ⁻):	28000
Gases:	
Carbon Dioxide (CO ₂):	2525
Hydrogen Sulfide (H ₂ S):	
Oxygen (O ₂):	

White City "6" Federal #1
 Sec. 6 - T25S - R27E, Eddy Co.
 N.M.
 Bell Canyon
 Pents 2092 - 2116
 ≈ .07 @ 80° F Est. BHT

Scale Index (positive value indicates scale tendency) a blank indicates some tests were not run

Temperature	CaCO ₃ SI	CaSO ₄ SI
86F	30.0C	
104F	40.0C	
122F	50.0C	
140F	60.0C	
158F	70.0C	
176F	80.0C	

Comments:
 If you have any questions or require further information, please contact us.
 Sincerely,

Laboratory Technicians: cc: John O'Brien
 Joe May
 P.O. Box 61427, Midland, TX 79711 - 4512 E. County Rd. 1290, Midland, TX 79765
 Office: (915) 464-0241 - Fax: (915) 468-0243

ATTACHMENT A

** TOTAL PAGE 01 **
 ** TOTAL PAGE 01 **

Item VIII:

The injection formation will be the Siluro-Devonian at an estimated depth of approximately 12,800'.

One shallow water well (C-963) was permitted and drilled immediately north of the AOR approximately 2,750' (0.52 mi) north of the proposed re-entry location. The well was permitted to a TD no greater than 447'. ft. The water well was permitted by and to Gulf Oil Corp. No indication of activity, production, or subsequent use is present in the record. Additional wells drilled in the 2-mile radius are shown below.

Well CR-2775 is an incorrect search inclusion. No habitation is present at or near the UTM coordinates shown. C-1267 was a dry hole at 100' TD. C-1326 is a sanitation well at the Border Patrol station on US-82. C-2236 and C-1116 are both stock wells drilled in the Quaternary alluvial fill along the Black River shown in the geological map below.



New Mexico Office of the State Engineer Water Column/Average Depth to Water

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

(quarters are smallest to largest)

(NAD83 UTM in meters)

(In feet)

POD Number	Sub basin	Use	County	Q 6	Q 4	Q 16	4 Sec	Tws	Rng	X	Y Distance	Depth Well	Depth Water	Water Column
C 00963	C	PRO	ED	3	3	2	30	25 S	25 E	553411	3551895*	927	447	
CR 02775		DOM	MO							554480	3551213	1039	203	154 49
C 01267	C	STK	ED		4	31	25 S	25 E		553730	3548754*	1241	180	
C 01326	C	SAN	ED	3	2	2	01	26 S	24 E	552218	3548041*	2305	150	
C 02236	C	STK	ED	3	3	4	24	25 S	24 E	551805	3552679*	2392	200	170 30
C 01116	C	STK	ED	2	2	2	35	25 S	24 E	550801	3550855*	2681	75	32 43
Average Depth to Water:												118 feet		
Minimum Depth:												32 feet		
Maximum Depth:												170 feet		

Record Count: 6

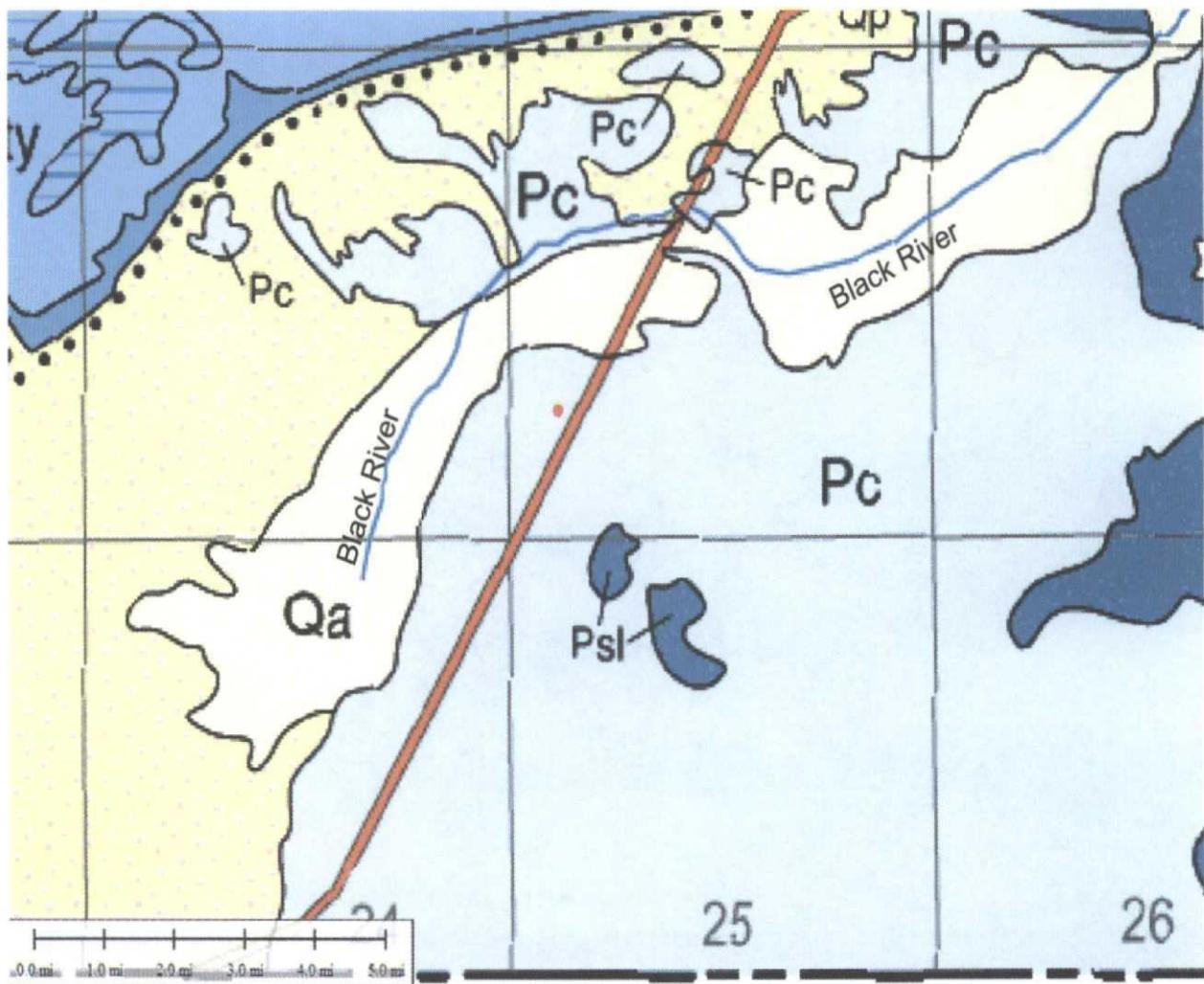
UTM NAD83 Radius Search (in meters):

Easting (X): 553480

Northing (Y): 3550970

Radius: 3218

The surface of the area included in the 2-mile radius, as shown in Item V above, and in the extracted portion of the New Mexico Bureau of Geology State Geological map (2003), is shown below. Quaternary alluvium is deposited on Permian Castile Formation (Pc) along the Black River. The well site is on upper Castile. Younger Salado Formation (Psl) outliers are present to the south of the well area. The base of the evaporite sequence rests unconformably on the Lamar Limestone of the Delaware Mountain Group at 1,333 ft. In the re-entry well the base of the salt appears to be at 1,036' (Gamma Ray log only).



660' FSL & 2245' FEL
Sec. 30, T25S-R25E
Eddy County, NM

Item IX:

Acid may be used. Fracturing is not planned.

Item X:

Logs are on file with the OCD. Log will be run on deepened interval and copies filed.

Item XI:

No fresh water wells are present within one mile of the proposed re-entry. Please note Item VIII above.

Item XII:

There is no geological evidence of open faults nor hydrologic connection between the disposal zone and any possible underground sources of protectable water.

Huapache Federal SWD #1
 660' FSL & 2245' FEL
 Sec. 30, T25S-R25E
 Eddy County, NM

30-015-21248

Plugging diagram of the target re-entry

PLUG AND ABANDON WELL DIAGRAM

API: 3001521248
 Operator: Mesa Petroleum Company
 Lease: Huapache Federal Well No: 1
 Location: Sec 30, T25S-R25E Eddy Co., NM
 Footage: 660 FSL, 2245 FEL

KB: 3570
 GL: 3552
 Spud date: July 4, 1974
 Plugged: August 26, 1974
 MSL of TD: -7663

Surface Csg

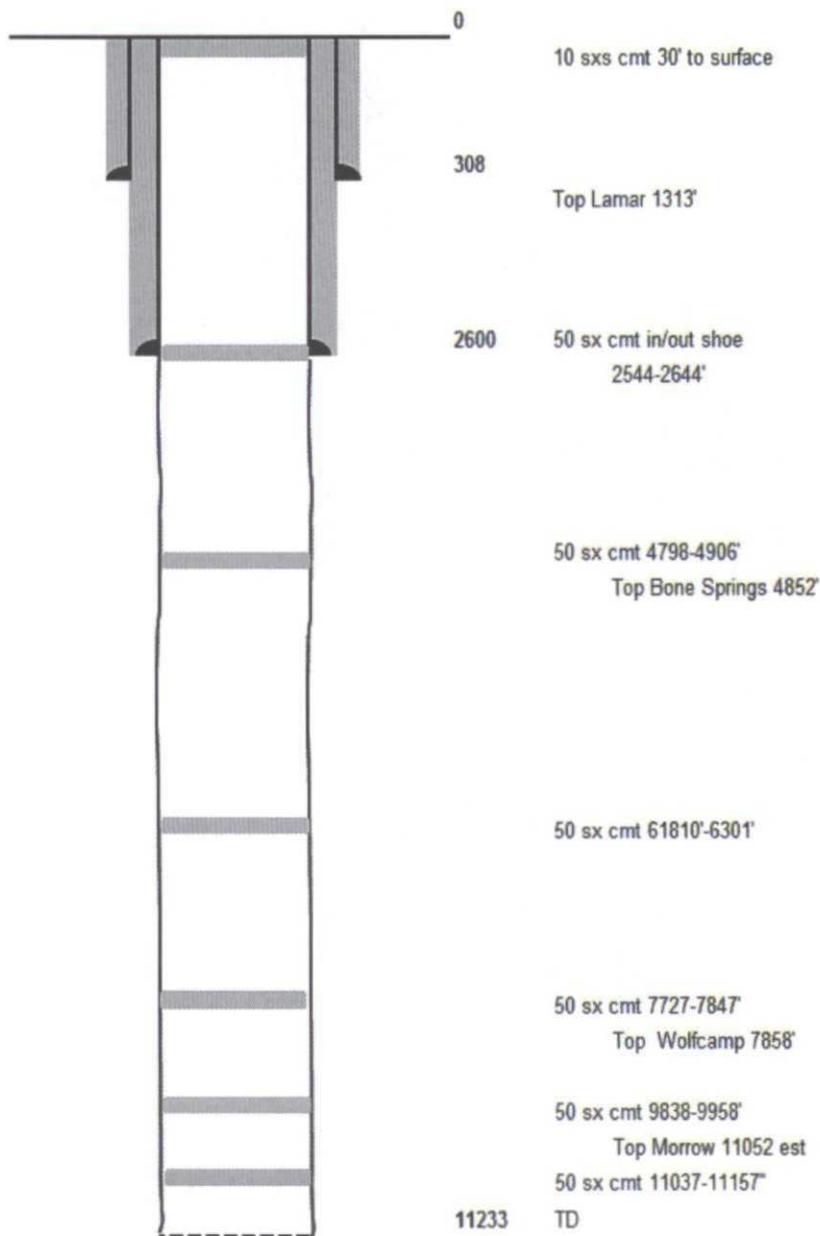
Size: 13-3/8" 48#
 Set @: 308
 Sxs cmt: 350
 Circ: Yes
 TOC: Surface
 Hole Size: 17-1/2"

Intermediate Csg

Size: 1-5/8" 32/36# H-40/K-55
 Set @: 2,600
 Sxs cmt: 1100
 Circ: Yes
 TOC: Surface
 Hole Size: 12-1/4"

Production Csg

Size: None
 Set @:
 Sxs cmt:
 Circ:
 Hole Size: 8-3/4"



Not to scale

Huapache Federal SWD #1
 660' FSL & 2245' FEL
 Sec. 30, T25S-R25E
 Eddy County, NM

30-015-21248

PROPOSED RE-ENTRY & DEEPEN WELL DIAGRAM

API: 3001521248
 Operator: Mesquite SWD, Inc.
 Lease: Huapache Federal SWD Well No: 1
 Location: Sec 30, T25S-R25 Eddy Co., NM
 Footage: 660 FSL, 2245 FEL

KB: 3702
 GL: 3469
 Spud date:
 Plugged:
 MSL of TD: -9298

Surface Csg

Size: 13-3/8" 42# H-40 STC
 Set @: 308
 Sxs cmt: 350
 Circ: Yes
 TOC: Surf
 Hole Size: 17-1/2"

Intermediate Csg

Size: 8-5/8" 32# J-55
 Set @: 2,023
 Sxs cmt: 1100
 Circ: Yes
 TOC: Surface
 Hole Size: 12-1/4"

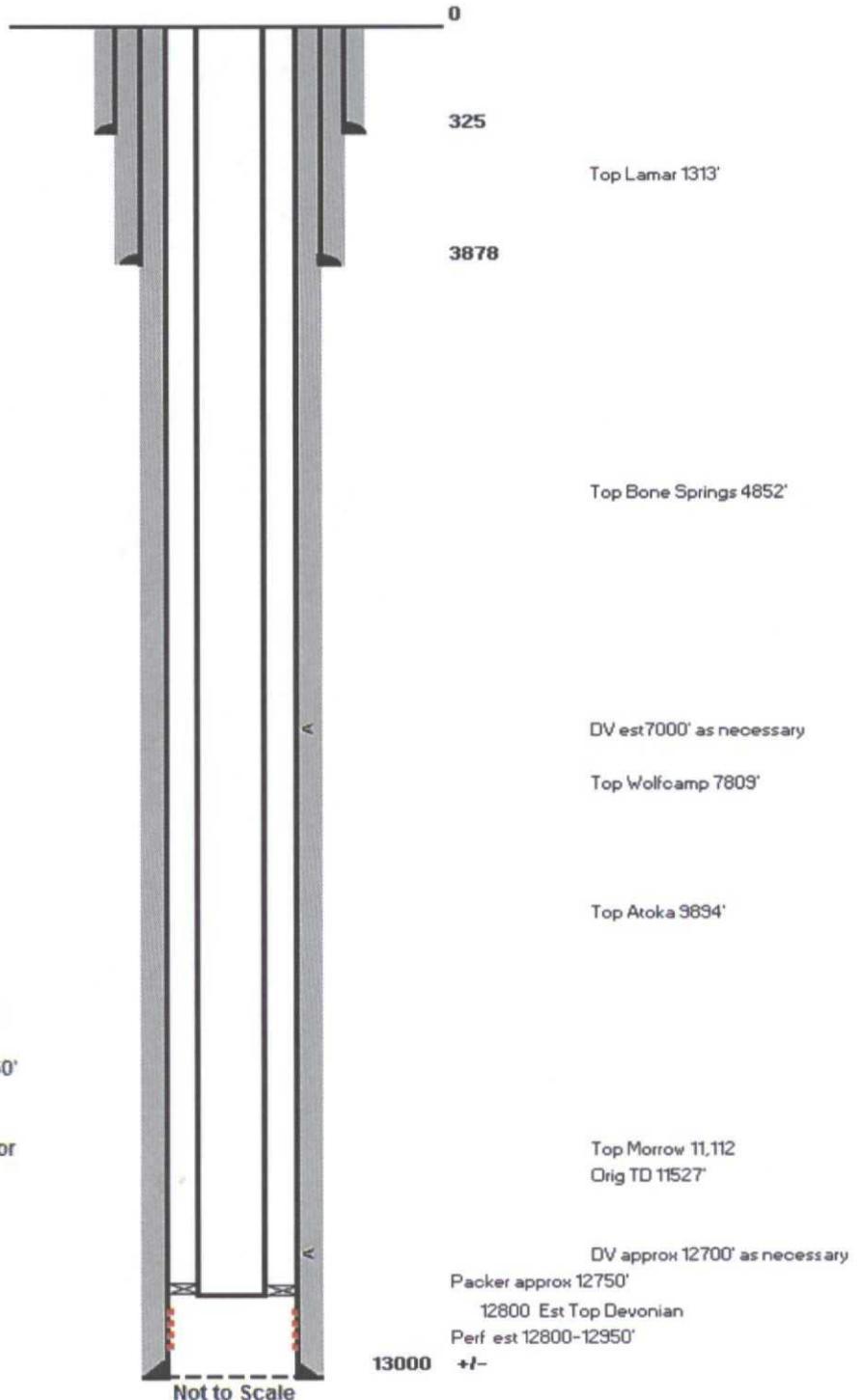
Production Csg

Size: 28 HCP-1102 (275'), 32#
 N-80 (1656) 26# HCP110 (2080')
 26# I180 (3797'), 28# HCP110 (4384'),
 32# n-80 (808')
 Set @: Approx 13000'
 Sxs cmt: 2200 sx
 Circ: Yes
 Hole Size: 8-3/4"

7" cmt Approx 13,000' w/
 Stage 1 w/ 100 sx
 Stage 2 w/ 1100 sx
 Stage 3 w/ 1000 sx Circ to Surface

Tubular requirements (made-up):
 est 12750' 4-1/2" N80/P110 116.8# LTC
 Fiberglass coated
 Lok-Set or equiv packer set approx 12750'

Perf and acidized selectively
 Load tubing annulus w/corrosion inhibitor
 Complete surface head for disposal



Huapache Federal SWD #1
660' FSL & 2245' FEL
Sec. 30, T25S-R25E
Eddy County, NM

30-015-21248

SPOT10 Satellite and Matching Topographic Map



Delorme XMap6

West side of highway approximately mile marker 9 on US 180/62,.

Huapache Federal SWD #1
660' FSL & 2245' FEL
Sec. 30, T25S-R25E
Eddy County, NM

30-015-21248

Item XIII:

Item XIII: Proof of Notice

Minerals Owner:

Bureau of Land Management
620 E. Greene St.
Carlsbad, NM 88220

Surface BLM Lessee:

Black River Ranch
David and Donna Colwell
292 Mescal Draw
Carlsbad, NM 88220

Operators:

COG Oil & Gas, L.P. 15 Smith Rd Midland, TX 79705	100%	Sec. 30 Unit C, Lots 1 & 2
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Fasken Oil & Ranch, Ltd 303 West Wall Ave. Ste 1800 Midland, TX 79701-5116	100%	Section 32
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Note: As shown above in Item V1(a) page 6, AOR oil and gas rights within Sec. 30 - except Lot 2, and Sec. 31- are unleased Federal minerals as of 12/19/2014 as determined from BLM well record search.

Legal Notice Publication

Affidavit of Publication

No. 23299

State of New Mexico

County of Eddy:

Danny Scott

being duly sworn, says that he is the **Publisher**

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 Notice

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	<u>December 23, 2014</u>
Second Publication	_____
Third Publication	_____
Fourth Publication	_____
Fifth Publication	_____
Sixth Publication	_____

Subscribed and sworn before me this
24th day of December 2014



OFFICIAL SEAL
Latisha Romine
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 5/12/15

Latisha Romine
Notary Public, Eddy County, New Mexico

Copy of Publication:

LEGAL NOTICE

Mesquite SWD, Inc., c/o Kay Havenor, 804 Moore Ave, Roswell, NM 88201-1144, (575) 626-4518, is seeking approval from the New Mexico Oil Conservation Division to re-enter the Mesa Petroleum Company Huapache Federal #1 well API: 30-015-21248, located 660 feet from the south line and 2245 feet from the east line of Section 30, T25S, R25E, Eddy County, NM, 6.6 miles south of Whites City, NM on US-62/180, and complete for commercial produced water disposal as the Mesquite SWD, Inc. Huapache Federal SWD #1.

The proposed disposal interval is the Suro-Devonian formations through casing perforations approximately 12,800 feet to 12,950 feet (OA).

Mesquite SWD, Inc. plans to dispose of a maximum of 25,000 BWP/D with a maximum pressure of 2560 psi.

Parties with questions regarding this proposal can contact Kay Havenor at the address or phone number above.

Interested parties must file objections or requests for hearing within 15 days of publication to the Oil Conservation Division: 1220 S. St. Francis Dr., Santa Fe, NM 87505.

Published in the Artesia Daily Press, Artesia, N.M., December 23, 2014 Legal No. 23299.

Certified Mail Receipts

7012 2920 0002 2178 2442

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

CARLSBAD NM 88220 OFFICIAL USE

Postage	\$ 1.61	
Certified Fee	\$3.30	
Return Receipt Fee (Endorsement Required)	\$2.70	
Restricted Delivery Fee (Endorsement Required)	\$0.00	
Total Postage & Fees	\$ 7.61	

12/23/2014

Sent To: Bureau of Land Management
 Street, Apt. No., or PO Box No.: 620 E. Greene St.
 City, State, ZIP+4: Carlsbad, NM 88220

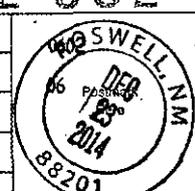
PS Form 3800, August 2006 See Reverse for Instructions

7012 2920 0002 2178 2535

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

CARLSBAD NM 88220 OFFICIAL USE

Postage	\$ 1.61	
Certified Fee	\$3.30	
Return Receipt Fee (Endorsement Required)	\$2.70	
Restricted Delivery Fee (Endorsement Required)	\$0.00	
Total Postage & Fees	\$ 7.61	

12/23/2014

Sent To: Black River Ranch - David and Donna Colwell
 Street, Apt. No., or PO Box No.: 292 Mescal Draw
 City, State, ZIP+4: Carlsbad, NM 88220

PS Form 3800, August 2006 See Reverse for Instructions

7012 2920 0002 2178 2528

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

MIDLAND TX 79705 OFFICIAL USE

Postage	\$ 1.61	
Certified Fee	\$3.30	
Return Receipt Fee (Endorsement Required)	\$2.70	
Restricted Delivery Fee (Endorsement Required)	\$0.00	
Total Postage & Fees	\$ 7.61	

12/23/2014

Sent To: COG Oil & Gas, L.P.
 Street, Apt. No., or PO Box No.: 15 Smith Rd
 City, State, ZIP+4: Midland, TX 79705

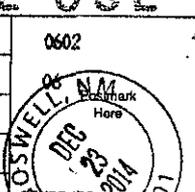
PS Form 3800, August 2006 See Reverse for Instructions

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Total Postage & Fees	\$ 7.61	

12/23/2014

Sent To: Fasken Oil & Ranch, Ltd
 Street, Apt. No., or PO Box No.: 303 West Wall Ave. Ste 1800
 City, State, ZIP+4: Midland, TX 79701-5116

PS Form 3800, August 2006 See Reverse for Instructions

Miss	Row	C-108	C-108 disposal application submittals... CHECKLIST to ensure all items are supplied or considered.
	1		<u>Operator, Well, and Contact info:</u>
	2	II	Name of person submitting the application: Kay Havenor Other Contact?
	3	II	Did you Include a contact Email in the application? Yes and Mailing Address? Yes and Phone? Yes
	4	II	Operator Name: Mesquite SWD, Inc OGRID Num 161968
	5		RULE 5.9 Compliance..... Number of Inactive Wells 4 vs Total Wells Operated 12 Is financial assurance required on any well? No Violation
	6		Is there any hearing order finding this operator out of compliance with Division Rule 19.15.5.9 NMAC? No
	7		Are all Rule 5.9 issues OK to allow the Division to issue Disposal Permits?
	8	III	Well Name: Huapache Fedral SWD #1
	9	III	API Num: 30-015-21248 Spud Date: 7/4/1974
	10		Have you included API numbers on all wellbore diagrams and well list(s) in this application? Yes
	11	III	Proposed well...Footages 660' FSL & 2245' FEL Unit O Sec 30 Tsp 25S Rge 25E County Eddy
	12		General Location (i.e. Y miles NW of Z): East side of highway approximately mile marker 9 on US 180/62
	13		Current Well Status: Currently P&A
	14	I	General Summary of Planned Work to Well: Re-enter P&A, CO to orig TD 11,233' drill to approx 13,000, case w/7", circ cmt, perf approved zone and complete for SWD
	15		<u>INTERVAL TOP and BOTTOM:</u>
	16	IIIB.(2)	Proposed disposal Top Depth: Approx 12,600' Formation Name Siluro-Devonian (include Member Names for Delaware or Mesaverde)
	17	IIIB.(2)	Proposed disposal Bottom Depth: 12,950' Formation Name: Siluro-Devonian
	18	IIIB.(2)	Is the disposal interval OpenHole? No or Perfed? Yes
	19	IIIB.(2)	What will be the disposal tubing size OD? 4-1/2" Packer Seat, Feet: approx 12,750'

Miss	Row	C-108	C-108 disposal application submittals... CHECKLIST to ensure all items are supplied or considered.
	20	VII	What max surf inj. psi are you proposing? 2,560 If differing from 0.2 psi/ft surf. Grad., is supporting data attached such as a Step Rate Test?
	21		<u>FRESH WATERS:</u>
	22	VIII	Depth to bottom of Fresh Waters: less than 200' Formation Name(s)? Quaternary alluvium
	23	XI	Any Fresh Water Wells Within 1 Mile? No If so, did you attach an analysis from these Wells?
	24		Are all "Fresh" waters isolated with Casing and Cement? Yes ("Fresh" water is defined as less than 10,000 mg/l of TDS)
	25	XII	Included "Affirmative Statement" concerning any Connection from Disposal Depths to existing Fresh Waters? Yes Item XII
	26		<u>WASTE WATERS:</u>
	27	XIV	Will this be a Lease Only disposal well? No or only used for the Operator's own waste needs? or Commercial Disposal? Yes
	28	VII	Which formations will supply the waste waters to be disposed into this well... List most common: Delaware/Bone Springs
	29	VII	Are Waste waters compatible with proposed disposal interval waters? Yes Did you include waste water analysis? Yes, Delaware water
	30		<u>AT PROPOSED WELL....INSITU WATERS AND HYDROCARBON POTENTIAL:</u>
	31		Is a discussion included of the potential for future OIL/GAS recovery from the proposed disposal interval? Yes
	32		If your proposed well for disposal is a depleted producer (within the proposed interval); do you know what was the cumulative oil/gas/water? and did you include a Rate-Time plot of this depleted interval?
	33	VII	Insitu water analysis Included? No Is the salinity within the disposal interval more than 10,000 mg/l of TDS? or how will you determine this insitu water salinity? Regional knowledge Siluro-Devonian.
	34	VIII	Does the application include a list of Formation tops down to and including the bottom of the target formation? Yes, on Page 13
	35		What is the top main salt 227' and bottom 1037' of the Salado Salt (...If this well is in the Southeast and the Salt is present)
	36	X	Are all existing Logs (including any CBL over the disposal interval) are on the OCD Web Site? Yes If logs not there, please send On completion
	37	IIIA.	Are the wellbore diagrams for this well included in the Application.....Before Conversion? Yes and After Conversion? Yes

Miss	Row	C-108	C-108 disposal application submittals... CHECKLIST to ensure all items are supplied or considered.
	38		Are the top and bottom footage of the proposed disposal interval marked on the "after" diagram? Yes
	39		<u>NOTICE:</u>
	40	XIV	Date of the Newspaper Notice in the County: Eddy Co. Artesia Daily Press 12/23/2014
	41	V	Within 1/2 mile, did you clearly identify (either on a map or by legal description) all separately owned tracts of lands within the disposal interval? Yes
	42	XIII	Did you identify the owner(s) of each of these separately owned tracts? Yes, in Item XIII Were they all formally noticed? Yes
	43	XIII	If reentering a P&Aed well, are there depth divisions of ownership within that well? NoIf so, have you also noticed all the shallower interests of the intent to use the well for disposal?
	44	XIII	Is the proposed well within the R-111-P defined Potash Area or the BLM Secretaries Potash Area? No ... If so, did you send notice to the nearest Potash lessee?
	45	XIV	Who owns the surface lands at the disposal well site (BLM, SLO, or who)? BLM Was that party formally noticed? Yes
	46		<u>Area of Review:</u>
	47	V	Did you include a map identifying all wells within 2 miles? Yes
	48	VI	Did you include a list of all AOR wells? Yes Is the list available to be emailed (if requested) in spreadsheet format? Yes - Included in Item VI list
	49	VI	Does this list identify all wells penetrating (at least the top of) the disposal interval within 1/2 mile of the proposed well? None present
	50	VI	Did you include wellbore diagrams for all P&Aed wells that exist within the 1/2 mile AOR that penetrate the disposal interval? Yes
	51	VI	How many wells exist within the 1/2 mile AOR that penetrate the disposal interval? 0 How many of these are Plugged/Dry and Abandoned?
	52	VI	Are details included on cement coverage of the proposed disposal interval for all wells penetrating the disposal interval within 1/2 mile of the proposed well? NA
	53	VI	Do all reported cement tops describe how that "top" was determined? If Available If you calculated any tops, what fillup efficiency factor did you use?
	54	VI	Did you identify the presence and depth of all Cement Stage Tools (DV) in the subject well and in the AOR wells? Yes, when info was available
	55	VIII	For the target formation, is there significant formation structural depth changes within the 1/2 mile AOR? No

Miss	Row	C-108	C-108 disposal application submittals... CHECKLIST to ensure all items are supplied or considered.
	56	VIII	Is there any Karst or Massive Limestone in this target formation? No ...or in the formations directly above or below? No
	57		<u>Administrative or Hearing:</u>
	58	VI	How many wells within the 1/2 mile AOR currently are producing (or still have open perforations) within the disposal interval? 0 is it "gas" or "oil"?
	59	 NOTE: If the proposed disposal interval is a "Gas" interval or if any AOR wells are producing or have open perforations within this interval then this application may not be properly classified as a "disposal". These types of applications must be processed at an examiner hearing.
	60		Any other Issues..? No



ORDER TYPE: WFX / PMX / SWD Number: 1530 Order Date: _____ Legacy Permits/Orders: _____

Well No. 1 Well Name(s): Huapacha Federal SWD

API: 30-0 15-21248 Spud Date: TBD New or Old: N (UIC Class II Primacy 03/07/1982)

Footages 660FSL, 2245FEL Lot _____ or Unit 0 Sec 30 Tsp 2SS Rge 2SE County Eddy

General Location: 6 miles SW Whitecity Pool: SANJISILUKIAN-DEVONIAN Pool No.: 97869

BLM 100K Map: CARLSBAD Operator: MESQUITAS S&S OGRID: 161968 Contact: KAY HAVENOR

COMPLIANCE RULE 5.9: Total Wells: 12 Inactive: 0 Fincl Assur. Y Compl. Order? N IS 5.9 OK? Y Date: 1-24-2015

WELL FILE REVIEWED Current Status: PFA

WELL DIAGRAMS: NEW: Proposed or RE-ENTER: Before Conv. After Conv. Logs in Imaging: Surface 11220' RYN LOG PACKAGE TO tie into existing logs @ 11,000

Planned Rehab Work to Well: _____

Well Construction Details	Sizes (in) Borehole / Pipe	Setting Depths (ft)	Cement Sx or Cf	Cement Top and Determination Method
Planned ___ or Existing ___ Surface	<u>13 7/8</u>	<u>308</u>	<u>350</u>	<u>SURF</u>
Planned ___ or Existing ___ Interm/Prod				
Planned ___ or Existing ___ Interm/Prod	<u>12 1/4 @ 8'</u>	<u>2023</u>	<u>1100</u>	<u>SURF</u>
Planned ___ or Existing ___ Prod/Liner				
Planned ___ or Existing ___ Liner	<u>8 7/8 @ 7'</u>	<u>13000</u>	<u>2200</u>	<u>SURF</u>
Planned ___ or Existing ___ OH / <u>PERF</u>	<u>12 1/2 @ 12550</u>		<u>Inj Length 150</u>	

Completion/Operation Details:

Drilled TD 11233 PBSD _____
 NEW TD 13000 NEW PBSD _____
 NEW Open Hole or NEW Perfs
 Tubing Size 4 1/2 in. Inter Coated? Y
 Proposed Packer Depth 12750 ft/
 Min. Packer Depth 12700 (100-ft limit)
 Proposed Max. Surface Press. 2560 psi
 Admin. Inj. Press. 2560 (0.2 psi per ft)

AOR: Hydrologic and Geologic Information

POTASH: R-111-P Noticed? _____ BLM Sec Ord WIPP Noticed? _____ Salt/Salado T: _____ B: _____ NW: Cliff House fm _____

FRESH WATER: Aquifer Quaternary Max Depth 170 HYDRO AFFIRM STATEMENT By Qualified Person

NMOSE Basin: CARLSBAD CAPITAN REEF: thru adj NA No. Wells within 1-Mile Radius? _____ FW Analysis

Disposal Fluid: Formation Source(s) Devonian, Bone Springs Analysis? Y On Lease Operator Only or Commercial

Disposal Int: Inject Rate (Avg/Max BWPD): 17000/2500 Protectable Waters? N Source: _____ System: Closed or Open

HC Potential: Producing Interval? NA Formerly-Producing? NA Method: Logs/DST/P&A/Other Mudlog 2-Mile Radius Pool Map

AOR Wells: 1/2-M Radius Map? Y Well List? N/A Total No. Wells Penetrating Interval: 0 Horizontals? _____

Penetrating Wells: No. Active Wells 0 Num Repairs? _____ on which well(s)? _____ Diagrams? _____

Penetrating Wells: No. P&A Wells 0 Num Repairs? _____ on which well(s)? _____ Diagrams? _____

NOTICE: Newspaper Date 12-23-2014 Mineral Owner BLM Surface Owner BLM N. Date 12/23/14

RULE 26.7(A): Identified Tracts? Y Affected Persons: BLM, COG, BLAKE RIVER RANCH N. Date 1/1/2014

Order Conditions: Issues: _____

Add Order Cond: Provide summary of woodford, Devonian, interval, mudlog, salinity for m.c. CBL 94877