

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



June 7, 2017

Ms. Melanie Wilson, Regulatory Analyst
Mesquite SWD, Inc.
P. O. Box 1479
Carlsbad, NM 88220

RE: Administrative Order SWD-1558; First Extension of Deadline to Commence Injection

Station SWD Well No. 1 (API 30-025-43473)
UL F, Sec 7, T24S, R32E, NMPM, Lea County, New Mexico
Order Date: June 26, 2015

Injection into the 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 June 26, 2015 deadline stipulated in order SWD-1558 to commence injection operations 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.

All requirements of the above referenced administrative order and agreements in the application remain in full force and effect.

SWD-1558: Extension of Deadline

Mesquite SWD, Inc.

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The deadline to commence injection for the existing order is hereby extended until June 26, 2018.

Sincerely,



DAVID R. CATANACH

Director

DRC/prg

cc: Oil Conservation Division – Artesia District Office
Bureau of Land Management – Carlsbad Field Office
Well File API 30-025-43473
SWD-1558

MESQUITE SWD, INC.

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

June 6, 2017

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-1558)
Approved June 26, 2015
Station SWD #1
Township 24 South, Range 32 East, N.M.P.M.
Section 7: 2625' FNL & 2315' FWL
Lea 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.

The drilling of this well was postponed due to the drastic reduction in drilling in the area. With anticipation of increased activity in the area, we would like to drill this well in the first quarter of 2018.

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.

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