

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



August 24, 2017

Mr. Luke Bross
R360 Environmental Solutions
3 Waterway Square Place, Suite 110
The Woodlands, TX 77380

RE: Administrative Order SWD-1574; First Extension of Deadline to Commence Injection

Okerlund SWD Well No. 1 (API 30-025-Pending)

Unit J, Sec 7, T21S, R32E, NMPM, Lea County, New Mexico

Order Date: August 28, 2015

Injection into Devonian formation; permitted interval: approximately 14000 feet to 16000 feet

Dear Mr. Bross:

Reference is made to your request on behalf of R360 Permian Basin, LLC (the "operator") to extend the deadline stipulated in order SWD-1574 based upon the approval date of August 28, 2015, 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 28, 2018. All requirements of the above referenced administrative order and agreements in the application

remain in full force and effect.

Sincerely,



DAVID R. CATANACH
Director

DRC/prg

cc: Oil Conservation Division – Hobbs District Office
Bureau of Land Management – Carlsbad Field Office
SWD-1574



R360 Environmental Solutions, LLC
3 Waterway Square Place, Suite 110
The Woodlands, Texas 77380
281.872.(R360)7360 Office
r360es.com

RECEIVED OGD

2017 AUG 17 P 2:47

August 16, 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-1574)

Approved August, 28, 2015

~~Station SWD #1~~

Okerlund SWD No. 1

Township 21 South, Range 32 East, N.M.P.M.

Section 7: 1470' FSL & 1555' FEL

Lea County, NM

Dear Mr. Goetze:

R360 Permian Basin, LLC. 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 for business reasons due to the reduction in drilling in the area. We anticipate an increase in activity in the area, and believe the well could be drilled sometime in 2018.

To our knowledge 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 281.873.3202 if you need further information.

Thank you for your consideration of this request.

Sincerely,

Luke Bross
R360 Environmental Solutions