

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Director
Oil Conservation Division



August 27, 2019

Permian TDS, LLC (OGRID 306958)
c/o Eddie W. Seay, Agent
seay04@leaco.net
PO Box 788
Lovington, NM 88260

RE: Administrative Order SWD-1675; Extension of Deadline to Inject
SV Sundown State SWD Well No. 1 (API 30-025-32750)
Unit M, Sec 14, T10S, R37E, NMPM, Lea County, New Mexico
Order Date: June 12, 2017
Injection into Devonian and Silurian formations; Open Hole, 12140 feet to 12700 feet

Dear Mr. Seay:

Reference is made to your May 16, 2019 request on behalf of the operator ("operator") to extend the deadline stipulated in the above titled order to commence injection for the above referenced well for reasons outlined in your correspondence. The current deadline date to commence injection under said order is two years after issuance of the order: June 12, 2019.

It is the Division's understanding from your correspondence that since the date of issuance of this permit, there have been no changes in affected parties and no additional wells drilled in the one-half mile Area of Review.

The Division finds that for reasons you have stated, the granting of 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 June 12, 2020.

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

Any additional extension of the deadline to commence injection for this administrative order will not be considered unless the operator has already commenced drilling out the plugs of the subject well. Otherwise, the injection authority shall expire under the terms of the extended administrative order and the operator shall be required to submit a new application to obtain injection authority for the referenced well.


ADRIENNE SANDOVAL
Director

AS/wvjj
cc: Oil Conservation Division – Hobbs District Office
Well file 30-025-32750
SWD-1675

"LEK"
LPC ZONE 1
(3/1 TO 6/15)

**PERMIAN TDS, LLC
BOX 788
LOVINGTON, NM 88260**

MAY 16 2019 PM02:48

May 13, 2019

NMOCD Engineering
ATTN: William V. Jones
1220 South St. Francis Dr.
Santa Fe, NM 87505

RE: Permian TDS, LLC
SV Sundown State SWD #1
API 30-025-32750
SWD Order - 1675
Extension Request to Convert

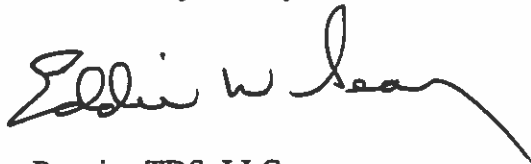
Mr. Jones:

The above listed well was approved as a SWD under order number 1675, with the completion date of June 12, 2019.

We are asking a one year extension to complete due to unavailable rigs and equipment. The oilfield is very busy at this time.

Your consideration to this request would be appreciated. I have attached a copy of the permit for your convenience.

Thanks for your help,



Permian TDS, LLC
Eddie W. Seay, Agent
Eddie Seay Consulting
601 W. Illinois
Hobbs, NM 88242
575-392-2236
seay04@leaco.net

August 21, 2019

AUG 26 2019 PM03:40

NMOCD Engineering
ATTN: Will Jones
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: C-108 Application Extension
SWD 1675
Permian TDS, LLC
SV Sundown St. SWD #1

Mr. Jones:

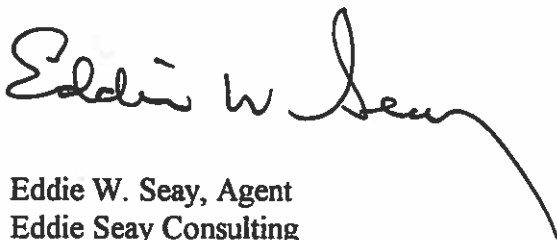
Hello, hope all is well.

I am seeking information on the above listed well. Permian requested an extension in May, you asked for additional information concerning the status of the permit, which I sent you in June.

Permian had a chance to pick up a rig just recently, to do our conversion, but had to turn it down because we did not know status of permit. We are back on list with hopes of getting an extension and rig soon.

Any help you can give will be appreciated.

Thanks,



Eddie W. Seay, Agent
Eddie Seay Consulting
601 W. Illinois
Hobbs, NM 88242
(575)392-2236
seay04@leaco.net

Rena Seay

 **COPY**

From: "Rena Seay" <seay04@leaco.net>
To: "Jones, William V, EMNRD" <WilliamV.Jones@state.nm.us>
Sent: Wednesday, June 12, 2019 10:16 AM
Subject: Re: SWD-1675 Permit Extension Request
 Good morning, Will Jones:

I have finished researching the above request.

- a. Headington Oil Corp. purchased the mineral interest from Apache Corp. I sent Headington a copy of the C-108 and a letter explaining the matter. When I receive the certified returns back, I will forward.
- b. Yes. Permian is in compliance with Rule 5.9.
- c. No new wells have been drilled in the AOR.
- d. We are on the list with two service companies and it looks like 3 to 4 months before we can get a rig. We are also looking for tubing and equipment.

Should you need anything further, please let me know.

Thanks for your help.

Eddie W. Seay, Agent

— Original Message —

From: Jones, William V, EMNRD
To: Rena Seay
Cc: McMillan, Michael, EMNRD ; Holm, Anchor E.
Sent: Tuesday, May 21, 2019 4:31 PM
Subject: SWD-1675 Permit Extension Request

Hi Eddie,
 Hope you are doing well.

We received your extension request.

Please reply to this email:

- a. Has oil and gas ownership changed in the ½ mile Area of Review since the permit was issued?
- b. Is Permian TDS, LLC in compliance with Rule 5.9?
- c. Has any wells been drilled or recompleted in the ½ mile AOR?
- d. What is the latest known schedule of when your client plans to reenter and recomplete this well?

I will process this after receiving your reply.

Kind Regards,
 Will

William V. Jones, P.E.
 New Mexico Oil Conservation Division
 Engineering and District IV – Santa Fe
 505-419-1995 work cell
<http://www.emnrd.state.nm.us/OCD/about.html>

6/12/2019

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>		<p>A. Signature </p> <p><input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
<p>1. Article Addressed to:</p> <p>Headington Oil Corporate Office 1700 Redbud Blvd., Suite 400 McKinney, TX 75069</p>		<p>B. Received by (Printed Name)</p>	<p>C. Date of Delivery 6.17.19</p>
<p>2. Article Number (Transfer from service label)</p> <p>7015 0640 0001 8342 1039</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>		<p>Barcode: </p> <p>9590 9402 4037 8079 1385 56</p>	
<p>PS Form 3811, July 2015 PSN 7530-02-000-9053</p>		<p>Domestic Return Receipt</p>	

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only	
<p>For delivery information, visit our website at www.usps.com.</p>	
<p>OFFICIAL USE</p>	
<p>Certified Mail Fee \$ 3.50</p>	<p>Extra Services & Fees (check box, add fee as appropriate)</p> <p><input type="checkbox"/> Return Receipt (hardcopy) \$ 2.80</p> <p><input type="checkbox"/> Return Receipt (electronic) \$</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery \$</p> <p><input type="checkbox"/> Adult Signature Required \$</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery \$</p>
<p>Postage \$ 1.45</p>	<p>Total Postage and Fees \$ 7.75</p>
<p>Sent to Headington Oil Corporate Office 1700 Redbud Blvd., Suite 400 McKinney, TX 75069</p>	
<p>PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions</p>	

Jones, William V, EMNRD

From: Holm, Anchor <aholm@slo.state.nm.us>
Sent: Monday, June 17, 2019 1:09 PM
To: Jones, William V, EMNRD
Cc: Crosby, Faith; Marks, Allison
Subject: [EXT] FW: SWD-1675 Permit Extension Request

Will,
The SLO has a CCAA concern. See below.

Hope you had a great Father's Day, Too!!



Anchor E. Holm
Petroleum Engineering Specialist Advanced
Oil Gas & Minerals Division
505.827.5759
New Mexico State Land Office
310 Old Santa Fe Trail
P.O. Box 1148
Santa Fe, NM 87504-1148
aholm@slo.state.nm.us
nmstatelands.org



.....
CONFIDENTIALITY NOTICE - This e-mail transmission, including all documents, files, or previous e-mail messages attached hereto, may contain confidential and/or legally privileged information. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution, or use of any of the information contained in and/or attached to this transmission is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

From: Crosby, Faith
Sent: Monday, June 17, 2019 10:59 AM
To: Holm, Anchor <aholm@slo.state.nm.us>
Subject: RE: SWD-1675 Permit Extension Request

Anchor

I apologize that I didn't respond to the email on May 22. The well is in an area for the Lesser Prairie Chicken which has work timing restrictions which are past our current time;

The LPC Zone 1 Management Area includes occupied and historic lek locations, LPC observation areas not associated with a lek site, and adjacent habitats where LPC's are expected to occur. Within Zone 1, 3-D seismic and 24-hour human-controlled operations, such as drilling, are prohibited during the period of March 1st through June 15th. Activities such as construction are subject to timing restrictions – no activity between 3:00am and 9:00am between March 1st and June 15th. Industrial noise, such as that caused by compressors and diesel engines, will be muffled or otherwise reduced to a level below 75 dB at 30 feet from the source of the noise. Ground level abandoned well markers will be installed instead of the standard 4 foot tall pipe, unless prohibited by law or the surface landowner.

Faith

From: Holm, Anchor
Sent: Wednesday, May 22, 2019 10:41 AM
To: Crosby, Faith <fcrosby@slo.state.nm.us>
Subject: FW: SWD-1675 Permit Extension Request

Faith,

Do we have any issues with this Permian TDS, LLC – Re-Entry of SV Sundown State SWD#1 for disposal into the Devonian-Silurian (SWD-1675 issued 6-12-2017)? http://ocdimage.emnrd.state.nm.us/Imaging/FileStore/santafeadmin/ao/308773/pmam1713936044_1_ao.pdf

Anchor

From: Jones, William V, EMNRD [<mailto:WilliamV.Jones@state.nm.us>]
Sent: Tuesday, May 21, 2019 4:32 PM
To: Rena Seay <seay04@leaco.net>
Cc: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>; Holm, Anchor <aholm@slo.state.nm.us>
Subject: SWD-1675 Permit Extension Request

Hi Eddie,