New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

John H. Bemis Cabinet Secretary-Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey Division Director Oil Conservation Division



July 22, 2011

Lisa Riley Apache Corporation 6120 South Yale Ave Suite 1500 Tulsa, OK 74136

Re: Extension of Deadline to Commence Disposal

SWD-1231 approved date July 22, 2010 L W Ward Well No. 3 (API 30-025-07232) 1983 FSL, 1515 FEL, Unit letter J, Sec 11, T13S, R38E, NMPM, Lea County Disposal into the Pennsylvanian through perforations from 9900 to 10682 feet

You have submitted a request on behalf of Apache Corporation, for a 12 month extension of the allowed period to commence active disposal into this well for the reasons outlined in the attached correspondence.

As allowed in 19.15.26.12C(2) NMAC, the Division finds the environment would not be harmed by maintaining this disposal permit and your request for a 12 month extension should be granted.

All requirements of SWD-1231 including the requirement to plug back this well to within 200 feet of the permitted disposal interval shall remain in full force and effect.

The deadline to commence injection is hereby <u>extended until July 22, 2012</u>. If injection has not commenced prior to that date, this permit shall expire *ipso-facto*.

JAMI BAILEY

Director

Cc: Oil Conservation Division – Hobbs File: SWD-1231



Jones, William V., EMNRD

From: Sent: To: Cc: Subject: Attachments: Riley, Lisa [Lisa.Riley@apachecorp.com] Friday, July 22, 2011 8:52 AM Jones, William V., EMNRD Hale, Robert; Kauffman, Katie; Gonzales, David; Estes, Michelle LW WARD.#3-SWD Conversion Extension 20110722092747487.pdf

William-

Thank you so much for working with Apache Corporation on the SWD Conversion for the LW Ward #3, API# 30-025-07232. Apache Corporation respectfully requests an extension of one year for administrative order SWD-1231 that was granted on July 22, 2010. Due to operation issues, Apache Corporation has been unable to further evaluate this SWD Conversion. I have attached the approved order from last year in hopes of being granted a one year extension. Please let me know any questions or concerns you may have.

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Kindly,

Lisa Riley Apache Corporation Production Engineering Tech 432.818.1910