Goetze, Phillip, EMNRD

From:	John M <jcm@maxeyengineering.com></jcm@maxeyengineering.com>
Sent:	Friday, January 22, 2016 6:33 PM
То:	Goetze, Phillip, EMNRD
Cc:	Jones, William V, EMNRD; McMillan, Michael, EMNRD; Lowe, Leonard, EMNRD
Subject:	Re: SWD-1333

Thanks Phillip. FYI I was out on the 5 1/2" cement job today. We finally and successfully tied back the 5 1/2" casing. We are moving on with the other wellbore operational items we have to address.

John C. Maxey P.E. Maxey Engineering, LLC 400 N. Pennsylvania, Suite 230A P. O. Box 1361 Roswell, NM 88202-1361 Off: 575-623-0438 www.maxeyengineering.com

On 1/22/2016 4:48 PM, Goetze, Phillip, EMNRD wrote: > Understood. I will present this item with the Director on Monday. PRG

- >
- > Phillip R. Goetze, PG
- > Engineering and Geological Services Bureau
- > Oil Conservation Division
- > New Mexico Energy, Minerals and Natural Resources Department
- > 1220 South St. Francis Drive
- > Santa Fe, NM 87505
- > Direct: 505.476.3466
- > e-mail: phillip.goetze@state.nm.us
- >
- >
- >
- >

> ----- Original Message-----

> From: John M [mailto:jcm@maxeyengineering.com]

> Sent: Thursday, January 21, 2016 10:47 AM

> To: Goetze, Phillip, EMNRD < Phillip.Goetze@state.nm.us>; Dade, Randy,

- > EMNRD <Randy.Dade@state.nm.us>
- > Cc: Kevin Rogers <kevin.rogers@trinityenv.com>

> Subject:

>

> Per previous correspondence, due to the timing issue with the SWD order for this well and the fact the OCD is not getting timely distribution of these Sundries, attached are additional BLM filings.

>

- >--
- > John C. Maxey P.E.
- > Maxey Engineering, LLC
- > 400 N. Pennsylvania, Suite 230A
- > P. O. Box 1361

> Roswell, NM 88202-1361 > Off: 575-623-0438 > www.maxeyengineering.com > > > . > ---

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Form 3160-5 (August 2007) UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT				01 Ex 5. Lease Scrial No. NMLC-029395B	ORM APPROVED MB No. 1004-0137 spires: July 31, 2010
Do not use th	Y NOTICES AND REP(is form for proposals II. Use Form 3160-3 (A	6. If Indian, Allottee of	r Tribe Name		
	BMIT IN TRIPLICATE - Othe	r instructions on page 2.		7. If Unit of CA/Agree	ement, Name and/or No.
1. Type of Well	as Well 🗹 Other SV	8. Well Name and No. Oxy Doc Slawin Fed #1			
2. Name of Operator Trinity Environmental SWD LLC			9. API Well No. 30-015-33180		
		3b. Phone No. (include area co	ode) 10. Field and Pool or SWD: Bone Spring		1
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) 460 FSL & 640 FWL, Sec 29 T17S R31E				11. Country or Parish, State Eddy, NM	
12. C	HECK THE APPROPRIATE B	DX(ES) TO INDICATE NATUR	E OF NOTIO	E, REPORT OR OTH	ER DATA
TYPE OF SUBMISSION		TYPE OF ACTION			
Notice of Intent	Acidize	Deepen Fracture Treat	=	uction (Start/Resume) amation	Water Shut-Off Well Integrity
✓ Subsequent Report	Casing Repair	New Construction Plug and Abandon		Recomplete Image: Other Set csg, BOP test. Temporarily Abandon Image: Other Set csg, BOP test.	
Final Abandonment Notice	Convert to Injection	Plug Back	Wate	Water Disposal	
the proposal is to deepen direc Attach the Bond under which following completion of the in testing has been completed. F determined that the site is read	tionally or recomplete horizonta he work will be performed or pr volved operations. If the operat inal Abandonment Notices must y for final inspection.)	lly, give subsurface locations and ovide the Bond No. on file with F ion results in a multiple completion be filed only after all requirement	measured ar BLM/BIA. R on or recomp ts, including	ad true vertical depths o Required subsequent rep detion in a new interval, reclamation, have been	
Work recommenced 1/13/2016 a BOP. Test BOP to 1000 psi-god within 5 1/2" stub at 3013' and d	d. DO plugs in 8 5/8" casing	at surface, 309', 1470' and 28	76'. 8 5/8"	had been previously	cmt to surface. DO cmt from

within 5 1/2" stub at 3013" and dress off stub. LD drill pipe and tools, PU csg patch on new 5 1/2" 17 ppf L80 LTC casing and RIH. Latch 5 1/2" casing and set patch with 24000 lbs overpull. Open cementable patch and could not obtain adequate rate. RUWL and punch casing at 3023" and circ at 3 BPM @ 100 psi. Pump 200 sx 50/50 Poz C tailed with 85 sx Class C neat, drop plug and displace. Circ 25 sx to surface. Gabriel @ BLM notified of cement job and BOPE test, no witness. WOC 60 hours. NDBOP and set slips, cut off casing, NUWH and 7 1/16" 5K BOPE, RU tester and test BOPE to 5,000 psi high and 250 low, tested good. DO cement through casing patch. RU pump truck and test casing patch and casing to 1,800 psi for 30 minutes, good test. Continue wellbore cleanout.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) John C. Maxey Title	e Agent	
Signature SpinCMafy Date	e 01/27/2016	
THIS SPACE FOR FEDERAL	L OR STATE OFF	
Approved by		
	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	knowingly and willfully to	make to any department or agency of the United States any false

(Instructions on page 2)

Goetze, Phillip, EMNRD

From:	John M <jcm@maxeyengineering.com></jcm@maxeyengineering.com>
Sent:	Monday, January 11, 2016 3:12 PM
То:	Goetze, Phillip, EMNRD
Subject:	Trinity Environmental SWD - Oxy Doc Slawin Fed #1 Re-entry
Attachments:	OCD Letter to Extend SWD with PU on hole.pdf

Phillip,

Per our discussion last Thursday in the hearing room about the injection deadline on the subject re-entry, attached is a letter articulating the issue. I hope this is helpful and the operator can get a little relief in case of wellbore issues that could create delays beyond what winter blizzard Goliath did. If there is anything you would like to discuss please don't hesitate to call.

Thanks for your time,

John C. Maxey P.E. Maxey Engineering, LLC 400 N. Pennsylvania, Suite 230A P. O. Box 1361 Roswell, NM 88202-1361 Off: 575-623-0438 www.maxeyengineering.com

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Maxey Engineering, LLC

P. O. Box 1361 400 North Pennsylvania Avenue • Suite 230A Roswell, NM 88202-1361 Office: (575) 623-0438 • Email: jcm@maxeyengineering.com www.maxeyengineering.com

January 11, 2016

New Mexico Energy, Minerals and Natural Resources Dept. Oil Conservation Division Attn: Mr. Phillip Goetz Email: Phillip.Goetze@state.nm.us 1220 South St. Francis Dr. Santa Fe, NM 87505

RE: Trinity Environmental SWD, LLC Administrative Order SWD-1333 Oxy Doc Slawin Fed #1 API# 30-015-33180

Dear Mr. Goetz,

Per our discussion last Thursday January 7th, Trinity Environmental was scheduled to move a rig in on December 28th on the subject well re-entry, however winter storm Goliath that hit our area on Saturday the 26th had other ideas. The 16" single day snowfall, cold temperatures, and blizzard wind conditions paralyzed southeast New Mexico for days. After re-constructing the location and road, the blizzard hit. We were finally able to get equipment to location last week to clear snow, working in the morning while the ground was frozen. After some drying time we are able to set anchors today and should be able to move the pulling unit and other heavy equipment in by Wednesday, January 13th.

My concern is the NMOCD letter dated November 2, 2015 (attached), and how it extended the expiration deadline of SWD-1333 to February 16th, 2016. The letter states in the second to the last sentence "*If work is not commenced by February 16, 2016 this application shall be null and void, and the applicant shall submit a new application.*" We have commenced work on this location, and will be moving a rig in this week. We have been, and will continue to work diligently without delay towards establishing injection. <u>We will</u> <u>be able to comply with the above requirement</u>.

The next sentence is what is somewhat alarming to me. It reads "*The deadline to commence injection is hereby extended until February 16, 2016.*" From my previous experience with lease deadlines or OCD imposed deadlines, due to operational uncertainties, those

deadlines usually allowed the flexibility of diligent operations to be pursued over a deadline date, as long as those operations were continuous without intentional delay. Beyond the deadline date and once operations are completed or terminated, the demands of the deadline are either satisfied or imposed. This protects both the operator's investment and also the leaseholder or regulatory agencies stake in seeing a job completed. We were hoping to complete this operation in 20 days, but as with any well operation there can be mechanical problems or weather related delays that are out of our control, such as the one we just experienced. The February 16th deadline seems to be inflexible.

In order to protect the operator's investment and allow operations to proceed in a safe and prudent fashion, and protect the OCD's desire to see work proceed in a diligent and timely fashion, I respectfully request that the deadline for injection be reconsidered and restated. To protect the intentions of both and provide flexibility the deadline could state, 'injection will be established before diligent re-entry and SWD conversion operations on location cease'. Furthermore, even though this is a federal well, I will be glad to provide the NMOCD with operational Sundry notices at intervals of your choosing to illustrate that work is progressing in a diligent, workman like manner.

As operations have commenced I look forward to your response. Please give me a call if it would help to discuss over the phone.

Sincerely,

John C. Maxey, P.E.

attachment

Susana Martinez Governor

David Martin Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary

November 2, 2015

Mr. Scott Heffner Trinity Environmental SWD, L.L.C. 13443 Highway 71 West Bee Cave, TX 78738

RE: Administrative Order SWD-1333; Second Extension of Deadline

Oxy Doc Slawin Federal Well No. 1 (API 30-015-33180) 460 FSL, 640 FWL; Unit M, Sec 29, T17S, R31E, NMPM, Eddy County, New Mexico Order Date: May 16, 2012 Injection into the Bone Spring and Wolfcamp formations; approved interval: 7762 feet to 9362 feet

Mr. Heffner:

Reference is made to your request on behalf of Judah Oil, LLC for an additional three (3) month extension of the November 16, 2015 deadline to commence injection into the above named well 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.

This will be the final extension granted for this application. If work is not commenced by February 16, 2016 this application shall be null and void, and the applicant shall submit a new application.

The deadline to commence injection is hereby extended until February 16, 2016.



SWD-1333: Fourth Extension of Deadline Trinity Environmental SWD, L.L.C. November 2, 2015 Page 2 of 2

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Sincerely,

DAVID R. CATANACH Director

DRC/mam

cc: Oil Conservation Division – Artesia
 Bureau of Land Management – Carlsbad
 Well File API 30-015-33180
 SWD-1333