

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



February 1, 2016

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

RE: Administrative Order SWD-1333; Fifth 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 Trinity Environmental SWD, LLC for an additional 60-day extension of the February 16, 2016 deadline to commence injection into the above named well for reasons outlined in the attached correspondence. These reasons include the impacts from unusually severe weather conditions that occurred in the southeast part of New Mexico at the end of 2015.

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.

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

Sincerely,



DAVID R. CATANACH
Director

DRC/mam

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

Goetze, Phillip, EMNRD

From: John M <jcm@maxeyengineering.com>
Sent: Friday, January 22, 2016 6:33 PM
To: Goetze, Phillip, EMNRD
Cc: Jones, William V, EMNRD; McMillan, Mich ael, 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

>

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> -----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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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMLC-029395B

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

Oil Well Gas Well Other SWD, APD approved 3/4/2015

2. Name of Operator
Trinity Environmental SWD LLC

3a. Address
13443 Hwy 71 West, Austin, TX 78738

3b. Phone No. (include area code)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
460 FSL & 640 FWL, Sec 29 T17S R31E

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
Oxy Doc Slawin Fed #1

9. API Well No.
30-015-33180

10. Field and Pool or Exploratory Area
SWD: Bone Spring-Wolfcamp

11. Country or Parish, State
Eddy, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Set csg. BOP test.</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Work recommenced 1/13/2016 after blizzard conditions had shut down operations, BLM previously given verbal start notification. MIRUPU and NUWH and BOP. Test BOP to 1000 psi-good. DO plugs in 8 5/8" casing at surface, 309', 1470' and 2876'. 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.

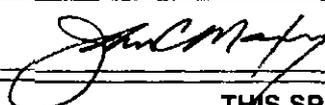
14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

John C. Maxey

Title Agent

Signature



Date 01/27/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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 knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

Goetze, Phillip, EMNRD

From: John M <jcm@maxeyengineering.com>
Sent: Monday, January 11, 2016 3:12 PM
To: 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
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<https://www.avast.com/antivirus>

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Roswell, NM 88202-1361

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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. We will be able to comply with the above requirement.

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,

A handwritten signature in black ink, appearing to read "John C. Maxey". The signature is fluid and cursive, with a large initial "J" and "M".

John C. Maxey, P.E.

attachment

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

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

David R. Catanach, Division Director
Oil Conservation Division



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

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