

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



June 28, 2016

Mr. Jimmie Cooper
Oasis Water Solutions
P. O. Box 36
Monument, NM 88265

RE: Administrative Order SWD-1490; First Extension of Deadline
MTS Well No. 2 (API 30-025-28141)
1980' FNL, 510' FWL; Unit E, Sec 10, T19S, R35E, NMPM, Lea County, New Mexico
Order Date: June 30, 2014
Injection into the Wolfcamp formation; approved interval: 10510 feet to 10736 feet

Mr. Cooper:

Reference is made to your request, dated April 2016 (date stamped by Division on May 2, 2016), on behalf of Oasis Water Solutions, LLC for an extension of the June 30, 2016, 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 (AOR) that penetrated the approved injection interval and any changes in ownership for the affected persons noticed in the original application.

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 for the existing order is hereby extended until June 30, 2017.

If the Operator cannot commence injection by this deadline, the Operator may petition for an additional extension by submitting a written request (prior to the expiration of this extension's deadline date) that includes a determination for any new wells in the AOR and a statement on the *current status of ownership for affected persons noticed in the original application*.

Sincerely,



DAVID R. CATANACH
Director

DRC/prg

cc: Oil Conservation Division – Hobbs District Office
Well File API 30-025-28141
Administrative Order SWD-1490
State Land Office – Oil, Gas and Minerals Division

OASIS WATER SOLUTIONS

Jimmie B. Cooper
Box 36
Monument, NM 88265

RECEIVED OGD

2016 MAY -2 P 2: 26

April 2016

NMOCD

ATTN: David Catanach, Director
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: SWD 1490
MTS #2 (API 30-025-28141)
Oasis Water Solutions, LLC

Mr. Catanach:

Oasis purchased three wells from MNA Enterprises in January 2015, MTS #2, MTS #3 and the Pearl State #2, all for the purpose of converting to SWD. The MTS #2 and the Pearl State #2, SWD 1542, have been approved and we have been working at building a new unloading facility and getting right-of-way permits and contracts from State Land Office and private land owners. The facility is completed and the Pearl State #2 was converted to injection, starting July 2015.

Sometime in August or September of 2015, the oil and gas industry took a severe downfall and the disposal service severely declined. We are still working to convert the MTS #2 and will, our problem is we are running out of time. We have our right-of-way permit, we have ordered pipe, but the company can't guarantee delivery and the oil industry is still in an "economic mess".

Oasis is requesting an extension to its MTS #2 conversion and would appreciate your consideration. We look forward to hearing from you.

Thanks,



Oasis Water Solutions, LLC
Jimmie B. Cooper
Box 36
Monument, NM 88265
Phone: 1-254-493-9082
shrylcooper@gmail.com