		PT UI
1.3	31.11	WA 1.31.11 FRESUD 1103154845
		NEW MEXICO OIL CONSERVATION DIVISION - Engineering Bureau - 1220 South St. Francis Drive, Santa Fe, NM 87505 ABOVE THIS LINE FOR DIVISION USE ONLY ABOVE THIS LINE FOR DIVISION USE ONLY
	ADMINI	STRATIVE APPLICATION CHECKLIST 30-015-29/02
тн		MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE
Applic	[DHC-Dov [PC-F	ns: andard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] whole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] alified Enhanced Oil Recovery Certification] [PPR-Positive Production Respected 10.1017
[1]		.PPLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication □ NSL □ NSP □ SD
	Chec [B]	ck One Only for [B] or [C] Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM
	[C]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery □ WFX □ PMX X SWD □ IPI □ EOR □ PPR
	[D]	Other: Specify
[2]	NOTIFICA [A]	Other: Specify
	[B]	X Offset Operators, Leaseholders or Surface Owner
	[C]	X Application is One Which Requires Published Legal Notice
	[D]	X Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
	[E]	□ For all of the above, Proof of Notification or Publication is Attached, and/or,
	[F]	□ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Kay Havenor

KAY C Havenor

Print or Type Name

Signature

Title

Date

1/24/2011

KHavenor@georesources.com e-mail Address

Agent

Mesquite SWD, Inc. 161968 P.O. Box 1479 Carlsbad, NM 88221

C-108 Ancillary Data

- 1. API: 30-015-29602
- 2.. Original Lease Name: Heavy Metal 12 Federal #1 New name used here: No
- 3. Legal publication lay distance description: "located 22.5 miles east of Loving, NM off NM-128 and Buck Jackson Road"
- 4. AOR data: All wells are shown in summary and detail in **Item VI**: Data on unplugged wells in AOR:
 - 3001528626 Chesapeake Operating, Inc. SOTOL A Federal 3, C-Sec. 12, T24S-R31E, Eddy Co., 660' FNL & 1980' FWL Elev 3530 GL Spudded 10/24/1995. TD 8625'. 11-3/4" @ 826' w/590 sxs, circulated. 8-5/8" casing @ 4450' w/1370 sxs, circulated. 5-1/2" @ 8625' w/1465 sxs, TOC 3500'. Perf 8163 - 8192'. Completed as oil well in Mesa Verde Delaware field (Brushy Canyon).
 - 2) 30-015-37607 COG, Seabisquit Federal Com #1, N-12-R24S-R31E Spudded 4/26/2010, 13-3/8" @ 863' w/750 sxs circulated. 9-5/8" to 4508' w/1550 sx circ to surface. Ran 9206' 7" plus 4306' of 5-1/2" to 13584' w/MD 13550' w/450 sxs circ from DVT @ 8425' and 800 sxs above DVD. TOC temp survey @1000' TVD approx 8425'. Well completed as producer Bone Springs lateral, but no perf/treatment/completion data has been filed as of this date.
- 5. AOR well count as shown in Item VI: 6 (3 plugged, 2 active, 1 undrilled location)
- 6. P&A wells in AOR count: 3 (including target re-entry P&A 10/9/1997)
- List of formation tops applicable to AOR: Tops in target re-entry well: Rustler 758', Salado 1232', main Salt 2380', B/Salt 4298', T/Lamar 4532', T/Bell Canyon 4587', T/Cherry Canyon 5515', Brushy Canyon 7080', Bone Springs 8396
- Producing or non-P&A wells in proposed disposal AOR: Marbob Unit M-Sec. 11, T24S-R31E - New Bone Springs lateral well. Data & logs not yet filed or released.
- 9. Is proposed SWD in a depleted zone/well? No. Proposed injection into Bell and Cherry Canyon isolated from underlying Brushy Canyon w/cement plug.
- 10. Why is proposed interval non-productive? Log and tests show water wet.
- 11. Notification and related acreage is shown in **Item XIII:** Chesapeake Sec. 11: S/2 NE/4, SE/4, Sec. 12: NE/4 NW/4 Shallow ?, Sec. 14: N/2
 - Devon Sec. 11: E/2 SW/4
 - COG Sec 12: All
 - Oxy Sec 14: All
- 12. Surface owner, as shown in Item XIII, is: BLM
- 13. Rule 5.9 status of applicant: Financial status in compliance. Inactive wells include: 1 inactive
- 14: Location of well as to Potash or other sensitive areas: Not within R-111-P

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STATE OF NEW MEXICO . 'ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

APPLICATION FOR AUTHORIZATION TO INJECT

I.	PURPOSE: Secondary Recovery Pressure Maintenance Application qualifies for administrative approval? Yes	<u>X</u> No	Disposal	Storage
11.	OPERATOR: Mesquite SWD, Inc.			
	ADDRESS: P.O. Box 1479 Carlsbad, NM 88221			
	CONTACT PARTY: Kay Havenor		PHONE: <u>575</u>	5-626-4518
III.	WELL DATA: Complete the data required on the reverse side of this form for each well Additional sheets may be attached if necessary.	l propose	d for injection.	
IV.	Is this an expansion of an existing project? Yes X No			

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

- 1. Proposed average and maximum daily rate and volume of fluids to be injected;
- 2. Whether the system is open or closed;
- 3. Proposed average and maximum injection pressure;
- 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
- 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: <u>Kay Havenor</u>	TITLE: <u>Agent</u>
SIGNATURE: KAY HAVENON	DATE: January 24, 2011
E-MAIL ADDRESS: <u>KHavenor@georesources.com</u>	

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal:

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Side 2

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.

(4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,

(4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

£ £ ĥ RANGE Method Determined: Circulated Method Determined: Circulated 31E 4415 feet to PB 7050 feet Open hole 13-3/8" None 8-5/8" WELL CONSTRUCTION DATA Method Determined: (Perforated or Open Hole; indicate which) TOWNSHIP Casing Size:_ Casing Size:_ Casing Size: 24S Intermediate Casing **Production Casing** Injection Interval Surface Casing or SX. Or or SX. SX. SECTION 17 Surface Surface 17-1/2" 600 Cemented with: 1800 11" Top of Cement: Top of Cement: Cemented with: Cemented with: Top of Cement: Total Depth: UNIT LETTER Hole Size: Hole Size: Hole Size: \mathbf{N} Heavy Metal 12 Federal No.1 1900' FSL & 1900' FWL FOOTAGE LOCATION plugging/recompletion diagram WELLBORE SCHEMATIC OPERATOR: Mesquite SWD, Inc. See attached well WELL NAME & NUMBER: WELL LOCATION:

INJECTION WELL DATA SHEET

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Side 1

acker: Lok-Set	epth:	Other Type of Tubing/Casing Seal (if applicable):	Additional Data	1. Is this a new well drilled for injection? Yes $Yes X_No$	If no, for what purpose was the well originally drilled? Oil/gas	2. Name of the Injection Formation: Delaware Mtn Group: Bell Canyon and Cherry Canyon	3. Name of Field or Pool (if applicable): <u>NA (Not Applicable)</u>	4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. <u>No</u>	5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: <u>No Bell Canyon or Cherry Canyon (Delaware) productive in this</u>	<u>AOR.</u> Lower Brushy Canyon - upper Bone Spring sand productive in the area below 7200'.
	T TOI	acker: Lok-Set tting Depth: Approx 4360 ft	acker: Lok-Set tring Depth: Approx 4360 ft oe of Tubing/Casing Seal (if applicable):	acker: Lok-Set tting Depth: Approx 4360 ft oe of Tubing/Casing Seal (if applicable): Additional D	acker: Lok-Set tting Depth: <u>Approx 4360 ft</u> be of Tubing/Casing Seal (if applicable): <u>Additional D</u> s a new well drilled for injection?	acker: <u>Lok-Set</u> acker: <u>Lok-Set</u> tting Depth: <u>Approx 4360 ft</u> be of Tubing/Casing Seal (if applicable): <u>Additional D</u> a new well drilled for injection? for what purpose was the well originally drille	acker: <u>Lok-Set</u> acker: <u>Lok-Set</u> titing Depth: <u>Approx 4360 ft</u> be of Tubing/Casing Seal (if appl s a new well drilled for injection for what purpose was the well o e of the Injection Formation:	acker: <u>Lok-Set</u> acker: <u>Lok-Set</u> tting Depth: <u>Approx 4360 ft</u> be of Tubing/Casing Seal (if appl be of Tubing/Casing Seal (if appl s a new well drilled for injection for what purpose was the well o for what purpose was the well o e of the Injection Formation: e of Field or Pool (if applicable):	acker: <u>Lok-Set</u> acker: <u>Lok-Set</u> ting Depth: <u>Approx 4360 ft</u> be of Tubing/Casing Seal (if appl s a new well drilled for injection for what purpose was the well o for what purpose was the well o e of the Injection Formation: e of Field or Pool (if applicable): he well ever been perforated in a 'als and give plugging detail, i.e.	acker: <u>Lok-Set</u> acker: <u>Lok-Set</u> tting Depth: <u>Approx 436</u> be of Tubing/Casing Seal (if be of Tubing/C

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Side 2

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Item V:

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Area of Review ¹/₂ Mile AOR and 2 Mile Radius



Item VI: Data on wells in AOR

All Known Wells in AOR

API	WELL NAME	STATUS	UNIT	SEC TC	STATUS UNIT SEC TOWNS RANGE	ANGE	SN	ΕW	OPERATOR	LAND	LAND SPUD DATE	PLUG DATE	ELEV-GL	ELEV-GL TVD_DEPTH Highest Perf	Highest Perf
3001522555	El Paso Federal 1	P&A	×	12 24S	31E		1980-S	1980-W (1980-W Chesapeake Operating, Inc.	Fed	5/25/1978	4/14/1979	3540	4630	4530
3001528626	SOTOL "A" FEDERAL 3 🗸	Active	Ŷ	12 24S	31E		660-N	1980-W [1980-W Devon Energy Production Co	Fed	10/24/0995		3530	8625	8163
3001523459	SOTOL "A" FEDERAL 1	P&A	u.	12 24S	31E		1980-N	1980-W (1980-W Concho Exploration	Fed	5/28/1994	12/15/2000	3532	15620	7132
3001529602	HEAVY METAL 12 FEDERAL 1	P&A	×	12 24S	31E		1900-S	1900-W [1900-W Devon SFS Operating, Inc.	Fed	8/28/1994	10/9/1997	3541		NONE
3001537605	Seabisquit Federal Com 2H Loc	Loc	M,	12 24S	31E		330-S	530-W (530-W COG Operating, LLC	Fed			3559		
3001537607	Seabisquit Federal Com 1H Comp NA 🗸	Comp NA	z	12 24S	31E		330-5	2260-W C	2260-W COG Operating, LLC	Fed	4/27/2010		3566	approx8425	NR

Note: 3001529602 is the target re-entry.

Construction of producing well in AOR:

Spudded 10/24/1995. TD 8625'. 11-3/4" @ 826' w/590 sxs, circulated. 8-5/8" casing @ 4450' w/1370 sxs, circulated. 5-1/2" @ 8625' w/1465 sxs, 3001528626 Chesapeake Operating, Inc. SOTOL A Federal 3, C-Sec. 12, T24S-R31E, Eddy Co., 660' FNL & 1980' FWL Elev 3530 GL TOC 3500'. Perf 8163 - 8192'. Completed as oil well in Mesa Verde Delaware field (Brushy Canyon)

Construction of recently drilled well in AOR:

reported to BLM 5/26/2010. No further data reported as of 1/22/2011. Ground inspection shows well head and tankage completed and site clean. 3001537067 COG Operating, LLC, Seabisquit Federal Com #1H, N-12, T24S-R31E, Eddy Co., 330' FSL & 2260' FWL, Elev 3566 GL, Spudded 4/27/10 as lateral Bone Springs test. MD 13550', TVD NR but approx 8425'. 13-3/8" @865' w/750 sxs, circulated. 9-5/8" @4508' w/1550 sxs, circulated. 7" 9206' + 5-1/2" 4336' Cemented w/450 sx circ to DV tool@8425' + 800 sx thru DV tool for 7" to 1000' (TOC by Temp Survey

Item VII:

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- 1. The maximum injected volume anticipated is 5,000 BWPD. Average anticipated is 4,000 BWPD.
- 2. Injection will be through a closed system.
- 3. Maximum injection pressure is expected to be 883 PSI.
- 4. Sources will be only produced water.
- 5. Water sample analysis Delaware Brushy Canyon 30-015-27276 Sec. 3, T24S-R31E, Eddy Co. See figure from WAIDS data base below.



DATA	E MAPS ' ELITOME SUCCES	CORROSION
	Water Samples for Well LILY ALY FEDERAL 006 API = 3001527276 Formation = DEL Field = INGLE WELLS <u>Current Water Production Information</u>	 Conrosion Theory \$ Equipment Gases * Prevention References
Instructions:		
Click	For general information about this sample.	
Click	For scale calculation pages (Stiff-Davis or Oddo Tomson methods).	
Click &	To select this water sample for water mixing. It will lead to the main page, and add the samp table.	ole ID to the mixing
_{Click} <u>664</u>	Click the hyperlinked sample number to make a .csv for that sample, or select several check Submit for multiple samples	boxes and click
	The ions are in (mg/L) units.	
	6825 24S 31E 03 25 180198 null 159 null null 177 ELECT/DESELECT ALL	720 1080

Item VIII:

	35 321312103395601 245.32E.10.344333 Lea County, New Mexico				Output for	mats		
Latitude 32º13'30'', Longi				Table of data				
Land-surface elevation 3,5			GVD29	Tab-separated data				
The depth of the well is 60 This well is completed in t			and Other	Graph of data				
Surface Deposits (110AVM				Reselect period				
Date	Time	Water level, feet below land surface	រវៀ Status	Date	Time	Water level, feet below land surface	」 Status	
1950-04-13	1950-04-13			1986-03-1	8	37.16		
1955-06-03	1955-06-03 31.90 R		1991-05-2	9	39.64			
1976-01-22		31.80		1996-03-1	4	38.20		
1981-03-20		19.93		2001-02-2	7	36.58		
				2006-02-0	7 09:30	19.40		

The surface of the area included in the 2-mile radius, as shown in Item V above, is Quaternary alluvium and Recent blow-sand deposited on Cretaceous/Triassic Dewey Lake redbeds. No shallow samples have been found in the greater area to clearly define shallow tops. E-logs suggest the top of the Rustler Formation is in the range of 150'. The Dewey Lake and Rustler Formation extend down to about 1100' and/or the top of the Salado. Various wells report anhydrite as high as about 800', but the salt, with some interbedded anhydrites, is typically in the range of 1150' to about 4300'. The heavy-bedded anhydrite beneath the salt is approximately 300' to 400' thick. It is essentially non-porous, non-permeable and rests unconformably on the Lamar Limestone of the Delaware Mountain Group. The Delaware Mountain Group is comprised of three major sand-shale members: Bell Canyon, Cherry Canyon, and Brushy Canyon. In the study area the Bell Canyon is approximately 930' thick. The Cherry Canyon is close to 1560' thick. The Brushy Canyon is about 1300' thick, of which the lower 300' portion contains most of the formation's main oil/gas productive horizons. Not all the lower Brushy Canyon is productive.

Virtually no groundwater data is available within the 2-mile radius study area. A commercial water well supply for oil well drilling is present 1.6 miles NW of the proposed Mesquite SWD location. The water well is in NW/SE/NW of Sec. 2, T24S–R31E. OSE data for C-1246-A-O indicates the water was encountered at approximately 160' and the well was drilled to 250'. This depth would suggest basal Quaternary/upper Triassic localized aquifer. Water volume was estimated to originally yield 75 gpm. Texaco drilled a water supply well in 1995 in SE4/NW4 Sec. 12, T24S-R31E, but all that is available is the water was to be used for drilling. Water wells to the west of the 2-mile radius suggest the Cretaceous/Triassic Dewey Lake is around 25 feet deep and small volume (7 to 12 gpm) are coming from deeper redbeds in the Rustler. No water quality is reported. Quaternary water zones in this region are scattered and not hydraulically connected. They occur in low irregularities in the alluvial deposits and derive their recharge from precipitation that moves downward through the blow-sands to accumulate randomly on top of the Cretaceous/Triassic Dewey Lake. Potable water is not common in this portion of Eddy/Lea County. If shallow potable or stock water were present in the study area it would be above about 100'.

Item IX:

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Acid wash of sand porosity zones between 4587' and 7050' may be attempted. No fracturing is planned.

Item X:

Logs are on file with the OCD.

Item XI:

No fresh water wells have been found within the 1-mile radius of the project well. See Item X above.

Item XII:

There is no geological evidence of open faults nor hydrologic connection between the disposal zone and any possible underground sources of potable water.

Enlarged View of AOR Centered in Unit K Sec. 12-T24S-R31E Eddy Co., NM

Item V(a):



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Topographic and Spot Satellite image of well site area



Delorme Xmap 6

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PLUG AND ABANDON WELL DIAGRAM





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PLUG AND ABANDON VELL DIAGRAM



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PLUG AND ABANDON WELL DIAGRAM

API:3001522555Operator:Cocquina Oil CorpLease:El Paso FederalLocation:Sec 22, T21S-R27E Eddy Co., NMFootage:660 FNL, 1980 FWL	Well N 1	Spud d Plugged d MSL of	ate: April 14, 1979
		_0	
Surface Csg			Surface 15 sx cement plug
Size: 8-5/8"			
Set @: 375'	Verante and Antonio Antoni	375	75 sxs 376' - 210'
Sxs cmt: 275 Circ: Yes			50 sxs 1100' - 926'
TOC: 0			
Hole Size: 12-1/4"	I		50 10 <i>45</i> ' 1774'
Production Casing	lain province provide the second second		50 sxs 1945' - 1771'
Size: 5-1/2"			
Set @: 4690'			50 sxs 3445' - 3271'
Sxs cmt: 250 Circ: No	jepender, and a guild a specifier	3358	Approx cutoff of 5-1/2"
TOC: 3740' estimate	- フ F		
Hole Size: 7-7/8"			
	A		
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	Ý		
		4500	CIBP + 35 sxs
		4000	Top Delaware pay 4590' TD
		4690	טו

PROPOSED RE-ENTRY AND COMPLETION PLAN



Not to Scale

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Item XIII:

Notification List

Surface Owner:

Bureau of Land Management c/o Carlsbad Field Office 620 E. Greene Street Carlsbad, NM 88220

Operators:

COG Operating, LLC 550 W. Texas St. Ste 100 Midland, TX 79701

Jose H

Chesapeake Operating, Inc. P.O. Box 18496 Oklahoma City, OK 73154

Occidental Permian, LTD. P.O. Box 4294 Houston, TX 77210-4294

Surface BLM Lessee:

Richardson Cattle Company P.O. Box 487 Carlsbad, NM 88221

Certified Mail Receipts



Legal Notice

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Affidavit of Publication	
STATE OF NEW MEXICO	
County of Eddy:	
Walter L. Green Walter L. Green	Mesquite 626-4518,
being duly sworn, says that he is the Publisher	re-enter th 30-015-29 line of Sec
of the Artesia Daily Press, a daily newspaper of general	ing, NM o duced wat The propo
circulation, published in English at Artesia, said county	Canyon F SWD, Inc.
and state, and that the hereto attached	sure of 88 Havenor a jections of
Legal Notice	1220 S. S Published
was published in a regular and entire issue of the said	21522.
Artesia Daily Press, a daily newspaper duly qualified	
for that purpose within the meaning of Chapter 167 of	
the 1937 Session Laws of the state of New Mexico for	
1 Consecutive weeks/days on the same	
day as follows:	
First Publication January 25, 2011	1
Second Publication	4
Third Publication	
Fourth Publication	
Fifth Publication	
Subscribed and sworn to before me this	1
25th day of January 2011	
OFFICIAL SEAL Danny Scott NOTARY PUBLIC-STATE OF NEW HEXOCO Wy commission expires:	
Wanny Seat	
/ Danny Scott/ Notary Public, Eddy County, New Mexico	

opy of Publication:

nc., c/o Kay Havenor, 904 Moore Ave., Roswell, NM 88201, (575) king approval from the New Mexico Oil Conservation Division to And approval from the New Mexico Oil Conservation Division to yon SFS Operating, Inc., Heavy Metal 12 Federal No.1 well API: costed 1980 feet from the south line and 1980 bet from the west 2, T24S, R31E, Eddy County, NM, located 225 miles east of Lov-128 and Buck Jackson Road, and complete for commercial pro-posal as the Mesquite SWD, Inc., Heavy Metal 12 Federal No.1. sposal interval is the Delaware Moyntain Beil Canyon and Cherry bet housed earch heid for A 41 for the 7.05 for the Mesquite ons through open hole from 4,415 feet to 7,050 feet. Mesquite to dispose of a maximum of 5,000 BWPD with a maximum pres-Parties with questions regarding this proposal may contact Ka-Barties with questions regarding this proposal may contact Ka-didress or phone number above. Interested parties must file ob-ests for hearing within 15 days to the Oil Conservation Division: Icis Dr., Santa Fe, NM 87505

1920 or 1980 ? Artesia Daily Press, Artesia, N.M., January 25, 2011. Legal No.

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February 14, 2011

VIA HAND DELIVERY

Mr. Daniel Sanchez Acting Division Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 RECEIVED OCD XIII FEB I LI, P I: 22

30-015-29602

Re: Application of Mesquite SWD, Inc. for a salt water disposal well in Section 12, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico.

Dear Mr. Sanchez:

COG Operating, LLC hereby objects to the above-referenced application filed by Mesquite SWD, Inc. seeking authorization to inject produced water in the Heavy Metal 12 Federal Well No. 1 located 1900 feet from the South line and 1900 feet from the West line of Section 12, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico.

Pursuant to Division Rule 19.15.26.8, this application must be set for hearing before a Division Examiner in order to be further considered, as COG has timely objected to this application. Your attention to this matter is appreciated.

Sincerely,

Jeean Murds-Bry Ocean Munds-Dry

cc: Attn: Kay Havenor Mesquite SWD, Inc. P.O. Box 1479 Carlsbad, NM 88221

> Dean Chumbley COG Operating, LLC

Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com 110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208 Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe Washington, D.C. 🙃

From: Sent: To: Cc: Subject:	Jones, William V., EMNRD Friday, February 18, 2011 4:47 PM 'Kay Havenor'; 'Ocean Munds-Dry' Ezeanyim, Richard, EMNRD Disposal Application from Mesquite SWD, Inc.: Heavy Metal 12 Federal #1 30-015-29602 Unit Letter K, Sec 12, T24S, R28E, Eddy County NM 4415 to 7050 Bell and Cherry Canyon
	Open Hole Depths

Hello Dr. Havenor:

Just documenting that the OCD has received a protest letter from COG Operating LLC. We can no longer process this administrative application for disposal into this well – unless we receive a letter from the protesting party revoking the protests.

If the protest is withdrawn, I will then review this application for other concerns.

Please consult your attorney as to what legal avenues are open to you.

Regards,

William V Jones, P.E. Engineering, Oil Conservation Division 1220 South St. Francis Drive, Santa Fe, NM 87505 Tel 505.476.3448 ~ Fax 505.476.3462



CC: Ocean Munds-Dry, Esq. Holland&Hart LLP Attorney for COG Operating LLC



March 15, 2011

VIA HAND-DELIVERY

Mr. Daniel Sanchez, Acting Director Attn: Richard Ezeanyim Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources 1220 South Saint Francis Drive Santa Fe, New Mexico 87505



Re: Application of Mesquite SWD, Inc. for a salt water disposal well in Section 12, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico

Dear Mr. Sanchez:

On February 14, 2011, COG Operating, LLC filed an objection letter to the abovereferenced application. COG and Mesquite have reached an agreement regarding the application.

COG now <u>withdraws</u> its objection to Mesquite's Application for approval of a salt water disposal well in Section 12, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico.

Your attention to this matter is appreciated. Please feel free to contact me should you have any questions or concerns at (505)988-4421.

Sincerely, VILLONOI

Ocean Munds-Dry Attorney for COG Operating, LLC

cc: Dean Chumbley

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Denver Aspen Boulder Colorado Springs Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Salt Lake City Santa Fe Washington, D.C. 🗘

From:	Jones, William V., EMNRD
Sent:	Friday, March 25, 2011 4:21 PM
То:	'Kay Havenor'
Cc:	Ezeanyim, Richard, EMNRD; Reeves, Jacqueta, EMNRD; 'Wesley_Ingram@blm.gov'
Subject:	Disposal application from Mesquite SWD, Inc.: Heavy Metal 12 Federal #1 30-015-29602 K/12/24S/31E Eddy County Delaware open hole 4415 - 7050

Hello Dr. Havenor:

Today, I reviewed your application and noticed a couple of items and have questions.

- a. As I understand it, COG has withdrawn its protest. Do you know what their concern was and how you addressed it?
- b. Who owns the rights to the Delaware in the N/2 N/2 of Section 13? I did not see that in the acreage summary.
- c. The Newspaper notice says 1980 fsl and 1980 fwl, but the application says 1900. Which is correct? You don't need to re-notice.
- d. What is the typical percentage Sw you see in the Bell Canyon in this well? For example, in one of the Ramsey sands?
- e. Have you any feedback from the BLM as to this project? It is about 2 miles east of the R-111-P acreage and proposed into the top of the Delaware.

Thank You,

William V Jones, P.E. Engineering, Oil Conservation Division 1220 South St. Francis Drive, Santa Fe, NM 87505 Tel 505.476.3448 ~ Fax 505.476.3462



From: Sent:	Kay Havenor [khavenor@georesources.com] Friday, March 25, 2011 6:16 PM
То:	Jones, William V., EMNRD
Subject:	Re: Disposal application from Mesquite SWD, Inc.: Heavy Metal 12 Federal #1 30-015-29602 K/12/24S/31E Eddy County Delaware open hole 4415 - 7050

Mr. Jones, in response to your questions:

a. I was not involved, but the gist (as I understand it) was COG was playing hardball to get some concessions from Mesquite to take their water.

b. N/2 N/2 of Sec. 13 is Oxy. They were notified. Sorry I missed that acreage on the summary.

c. Good eye! The correct footage was 1900 FSL and 1900 FWL as is in the C-108. I did not notice that.

d. Typical Ramsey S_w >60

e. The BLM has already inspected the site with Clay Wilson and they have not said anything. The freshly drilled Marbob (COG) lateral in Unit N of the section had no problems. They finished, ran pipe, treated and completed the well, but have not reported any oil sales or filed a completion. They completed considerably beneath our lowest level.

As you may recall, this C-108 was earlier killed by Marbob before staking two locations and drilling this one. They had just bought the BLM lease. After the drilling they agreed to allow this application - just prior to becoming COG. The BLM approval of Mesquite?s Bran SWD APD in the SE/4 SE/4 of Sec. 11 is virtually complete. That APD was complicated in complying with BLM needing 3-strings of casing into the Delaware - and we start with 8-5/8" surface.

Kay

At 04:21 PM 3/25/2011, you wrote:

Hello Dr. Havenor:

Today, I reviewed your application and noticed a couple of items and have questions.

a. As I understand it, COG has withdrawn its protest. Do you know what their concern was and how you addressed it?

b. Who owns the rights to the Delaware in the N/2 N/2 of Section 13? I did not see that in the acreage summary.

c. The Newspaper notice says 1980 fsl and 1980 fwl, but the application says 1900. Which is correct? You don?t need to re-notice.

d. What is the typical percentage Sw you see in the Bell Canyon in this well? For example, in one of the Ramsey sands?

e. Have you any feedback from the BLM as to this project? It is about 2 miles east of the R-111-P acreage and proposed into the top of the Delaware.

From:wingram@blm.govSent:Monday, March 28, 2011 10:16 AMTo:Jones, William V., EMNRDSubject:Re: Disposal application from Mesquite SWD, Inc.: Heavy Metal 12 Federal #1 30-015-29602
K/12/24S/31E Eddy County Delaware open hole 4415 - 7050Attachments:pic13940.jpg

Will,

One of the engineers reviewed this well in October 2009 and did not find any reason for the BLM to object. I just did another check with the Potash group here in the office and they have no objections.

Thanks, Wesley W. Ingram Supervisory Petroleum Engineer Bureau of Land Management 575-234-5982 wesley ingram@nm.blm.gov

"Jones, William V., EMNRD" <william.v.jones< th=""><th>То</th></william.v.jones<>	То				
@state.nm.us>	Kay Havenor				
	< <u>khavenor@georesources.com</u> >				
03/25/2011 04:21	CC				
PM	"Ezeanyim, Richard, EMNRD"				
	< <u>richard.ezeanyim@state.nm.us></u> ,				
	"Reeves, Jacqueta, EMNRD"				
	< <u>Jacqueta.Reeves@state.nm.us</u> >,				
	" <u>Wesley Ingram@blm.gov</u> "				
	< <u>Wesley_Ingram@blm.gov</u> >				
	Subject				
	Disposal application from Mesquite				
	SWD, Inc.: Heavy Metal 12 Federal #1				
	30-015-29602 K/12/24S/31E Eddy				
	County Delaware open hole 4415 -				
	7050				

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Thank You,

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	Injection Permit Checklist (07/9/2014)								
	WFXPMXSWOZOTPermit Date 3/2011 UIC Qtr () (FFM) # Wells / Well Name(s): How Motel 12 Folowel # / API Num: 30-0 15 - 29602 Spud Date:New/Old:(UIC primacy March 7, 1982) Footages 1900 F5L (1900 FWL Unit K Sec 12 Tsp 245 Rge 31E County ETM) Berreral Location: 22 mi E. of LOVING / This 7.5mi South of Well PM								
Operator: Mosquite Sur D, II C. Contact Koy florenor									
									OGRID: 16 96 X RULE 5.9 Compliance (Wells) (Finan Assur) O LIS 5.9 OK? OL Well File Reviewed Current Status: PEA Planned Work to Well: A Set PLUG
	Diagrams: Before Conversion	After Conversion	Elogs in Imaging File: Setting	Stage	Cement	Cement Top and			
	Well Details:	HolePipe	Depths	Tool	Sx or Cf	Determination Method			
	NewExisting Surface	1 - 85/8	608		6005K	CIRC			
	New_Existing	11 - 8-18	7915		1300SX	CIRC			
	New_Existing LongSt								
	NewExisting Liner								
			F	T	I				
	Depths/Formations:	Depths, Ft.	Formation	Tops?		L			
	Formation(s) Above	45 52-	- Lyman						
	Injection TOP:	4415	Bell	Max. PSI		Perfs			
	Injection BOTTOM:	7050	cherry/	Tubing Size	-3/2 Packer Depth	4360			
		7080 0	- Budy -			too of ANHYDING.			
	Formation(s) Below	Lower Busty	Carr = Prove	velon	30010	430V			
	Capiton Reef?(Ro	otash?Noticed?		ad?Sa	alado Top/Bot	Gliff House?			
Fresh Water: Depths: Formation Bolion Wells? Non Analysis? Affirmative Statement									
	Disposal Fluid Analysis? Sources: Commercal (Bone Sprin Mainly)								
Notice: Newspaper Date 1/25/11 Surface Owner BLM/Richard Mineral Owner(s) BLM									
ŰŔ/	RULE 28.7(A) Affected Persons	(Peron Cos	3/ Cherrys /	OXY_					
5	AOR: Map? Well List?	Active Wells 3 P	roducing in Interval?	Repairs	WhichWells?				
P&A Wells Diagrams? Repairs Which Wells?									
Questions: Make Sure Bottom PLUS is Set Holds Request Sent Reply:									
	7/8/2010/11:31 AM		Page 1 of 1	<u> </u>		SWD_Checklist.xls/List			
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