

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OM B No. 1004-0137  
Expires: March 31, 2007

**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.*

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator **Mesquite SWD, Inc.**

3a. Address  
**P.O.Box 1479, Carlsbad, NM 88221**

3b. Phone No. (include area code)  
**575-706-1840**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1900 FSL & 1900 FWL Sec. 12, T24S-R31E**

5. Lease Serial No.  
**SWD-1269 NMNM104684**

6. If Indian, Allottee or Tribe Name  
**NA**

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

8. Well Name and No.  
**Heavy Metal Federal #1**

9. API Well No.  
**30-015-29602**

10. Field and Pool, or Exploratory Area  
**SWD: Bell Canyon-Cherry Canyon**

11. County or Parish, State  
**Eddy Co. NM**

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 <b>Injection pressure increase</b>
	<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 recomplete 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**Request for Injection Pressure Increase (IPI) as submitted to and approved by NM OCD (copy attached). Pressure test attached. Original NM OCD pressure permitted 883 psi. NM OCD increase to 1400 psi approved 4/22/2013. Approved and active present injection interval (OIL) is 4586'-6140'. Requested BLM concurrence to maximum IP of 1400 psi.**

**RECEIVED**  
 MAY 12 2014  
 NMOCD ARTESIA

**ACCEPTED FOR RECORD**  
 MAR 7 2014  
 BUREAU OF LAND MANAGEMENT  
 CARLSBAD FIELD OFFICE

Accepted for record  
 NMOCD 10/5/14

14. I hereby certify that the foregoing is true and correct  
 Name (Printed/Typed)

**Kay Havenor**

Title **Geologist**

**SUBJECT TO LIKE APPROVAL BY STATE**

Signature **Kay Havenor**

Digitally signed by Kay Havenor  
 DN: cn=Kay Havenor, o=BLM, ou=USDA, email=kay.havenor@blm.gov, c=US

Date

**05/14/2013**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by *Paul R. Feasty*  
 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.

Title *PET* Date \_\_\_\_\_  
 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.

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary-Designate

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

**Jami Bailey**  
Division Director  
Oil Conservation Division



Administrative Order IPI-435  
April 22, 2013

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

**RE: Injection Pressure Increase**  
Disposal Permit: SWD-1269  
Pool: SWD; Bell Canyon and Cherry Canyon members; Delaware Mountain Group  
Heavy Metal 12 Federal Well No. 1 API 30-015-29602  
Unit K, Sec 12, T24S, R31E, NMPM, Eddy County, New Mexico

Dear Dr. Havenor:

Reference is made to your request on behalf of Mesquite SWD, Inc. (OGRID 161968) received by the Division on April 9, 2013, to increase the maximum allowed surface tubing pressure on the above named well.

This well was permitted by the Division for water disposal in the Bell Canyon and Cherry Canyon (of the Delaware Mountain Group) by Division administrative order SWD-1269 approved March 29, 2011. That permit allowed disposal through open hole from 4415 feet to 7050 feet at a maximum surface disposal pressure of 883 psi.

It is our understanding that this well will not take a sufficient volume of fluid at the current pressure limit and a higher pressure limit is needed. It is also understood that an increase will not result in the fracturing of the formation and confining strata.

Based on a step rate test for this well run February 28, 2013, through 3-1/2 inch tubing, you are hereby authorized to inject at the following maximum surface tubing pressure:

**Heavy Metal 12 Federal Well No. 1      API 30-015-~~32421~~      1400 psi**

This approval is based on the provision that the tubing size, packer setting depth and completion interval for this well does not change. Any future requested pressure increase will require resubmission of additional data and a new step-rate test. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in this well. This approval is subject to your

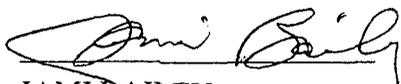
Administrative Order IPI-435  
Mesquite SWD, Inc.  
April 22, 2013  
Page 2 of 2

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being in compliance with all other Division rules, including but not limited to Division Rule 19.15.5.9 NMAC.

The Division Director may rescind this permitted injection pressure increase if it becomes apparent that the injected fluid is not being confined to the permitted disposal interval or is endangering any fresh water aquifer.

Sincerely,



JAMI BAILEY  
Director

JB/pg

cc: Oil Conservation Division – Artesia  
Bureau of Land Management - Carlsbad  
File: SWD-1269

Step Rate Test



Cardinal Surveys Company

February 28, 2013

Mesquite SWD  
Heavy Metal No. 1 SWD

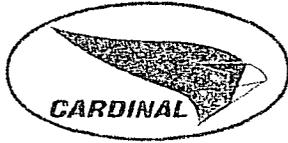
Eddy County, New Mexico  
File # 21159  
Tool #

Fracture @ 7078 BPD  
2950 BHPSIA,  
2150 Surf PSIA

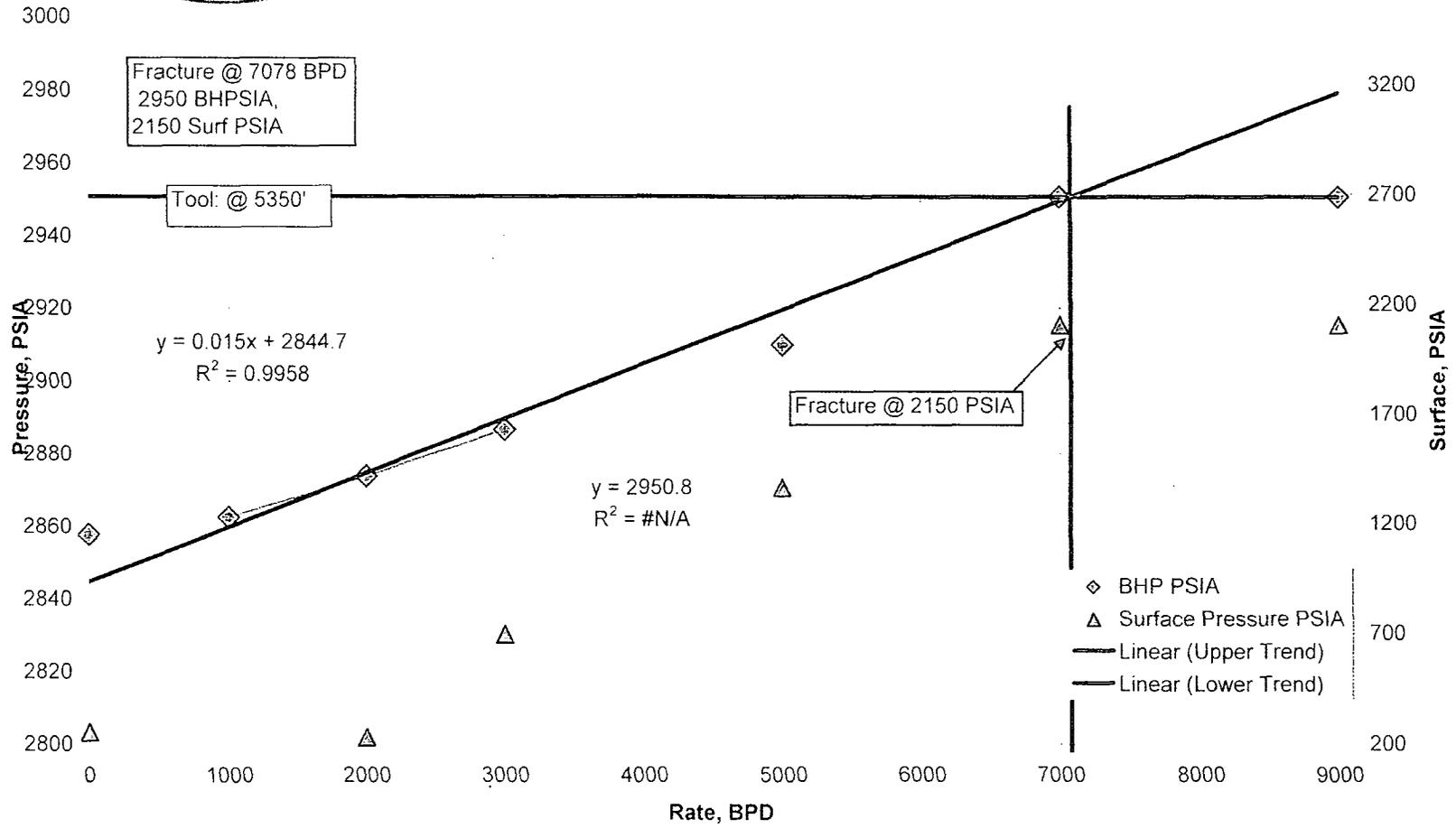
Downhole PSI Tool Ser. No.  
Surface PSI Gauge Ser. No.  
Tool @ 5350'

Start Time	End Time	Rate BPD	Comments
1	7:03 AM	7:30 AM	0 On Bottom
2	7:30 AM	8:00 AM	1000
3	8:00 AM	8:30 AM	2000
4	8:30 AM	9:00 AM	3000
5	9:00 AM	9:30 AM	5000
6	9:30 AM	10:00 AM	7000
7	10:00 AM	10:30 AM	9000

No fall off Data due to wellhead leak



### Mesquite SWD Heavy Metal No. 1 SWD Step Rate Test 2-28-13



**Step Rate Test**

Mesquite SWD  
Heavy Metal No. 1 SWD



Eddy County , New Mexico

Clear Trend  
Lines

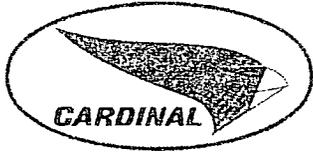
Unhide Cells

	S Time	E Time	D Time Min	Last Rate BPD	Step BPD	B. H. Pressure PSIA	Surf PSIA	Cum BBL	Delta BBL	Avg. BPD	Lower Trend	Upper Trend
1	7:03 AM	7:30 AM	27	0	0	2857.7	253.7	0	0.00	0		
2	7:30 AM	8:00 AM	30	1000	1000	2862.5	197.8	22	22.00	1056	2862.5	
3	8:00 AM	8:30 AM	30	2000	1000	2873.8	231.4	67	45.00	2160	2873.8	
4	8:30 AM	9:00 AM	30	3000	1000	2886.6	695.8	137	70.00	3360	2886.6	
5	9:00 AM	9:30 AM	30	5000	2000	2910	1365.3	251	114.00	5472		
6	9:30 AM	10:00 AM	30	7000	2000	2950.8	2105.2	368	117.00	5616	2950.8	2950.8
7	10:00 AM	10:30 AM	30	9000	2000	2950.8	2105.2	566	198.00	9504		2950.8

Shut down @ 10:30 due to well head leak. No fall off data

0.0150 2844.7  
0 2950.8

int point: 7078.382507 BPD  
2950.8 Psia



Mesquite SWD Heavy Metal No. 1 SWD  
Step Rate Test 2-28-13

