State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Tony Delfin Acting Cabinet Secretary David R. Catanach, Division Director
Oil Conservation Division



Response Required - Deadline Enclosed

Underground Injection Control Program

August 10, 2016

Como, TX 75431

Mr. Ben Stone AND (As agent for OWL SWD Operating, LLC) SOS Consulting, LLC P. O. Box 300

Mr. Nevin Bannister OWL SWD Operating, LLC 8214 Westchester Drive, Suite 850 Dallas, TX 75225

RE: NOTICE TO OPERATOR: REQUIREMENT TO CONDUCT INJECTION SURVEY – EXTENSION OF DUE DATE

Maralo Sholes B Well No. 2 (API 30-025-09806)

660' FSL, 660' FEL; Unit P, Sec 25, T25S, R36E, NMPM, Lea County, New Mexico

Injection Authority: Administrative Order SWD-1127

Order Date: June 1, 2008

Permitted Interval: Yates and Seven Rivers formations; 2938 feet to 3055 feet

Mr. Stone:

The Division is in receipt of your request, dated August 9, 2016, on behalf of OWL SWD Operating, LLC, for an extension of the deadline for the completion of the injection survey for the well referenced above. In response to this correspondence, Division shall extend the deadline from the original August 18, 2016, to a new final due date of September 2, 2016.

Please contact Mr. Daniel Sanchez, Fields Operations Manager (505.476.3493), with any questions regarding this correspondence.

Sincerely,

DAVID R. CATANACH

Director

DRC/prg

cc: Oil Conservation Division – Hobbs District Office

Well File API 30-025-09806

Administrative Order SWD-1127

Bureau of Land Management – Carlsbad Field Office

Mr. Bob Gallagher, City Manager, City of Jal



Olle Gas Accounting -- Regulatory Processing Assistance -- Oll Field Assistance

August 9, 2016

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

Attn: Mr. David Catanach, Director

Re: Notice to Owl SWD Operating, LLC to Conduct Injection Survey on its Maralo Sholes B Well No.2 located in Section 25, T25S, R36E, Lea County, New Mexico.

Dear Mr. Catanach,

Owl SWD Operating, LLC has received your letter requesting an injection survey to be conducted on the subject well.

Owl agrees with the need for verification and would like to get the best survey data possible to confirm the intervals and formations receiving injection.

Owl personnel are currently involved in several other projects and workovers including; pipeline construction and automation modifications, equipment upgrades and repair, a well workover to temporarily abandon and a tubing modification. Unfortunately, limited field personnel are available due to some recent staff adjustments. However, they will organize schedules to bring this need to top priority.

At this time, Owl would like to respectfully request a 30-day extension for the deadline to perform the survey. This request would set a deadline of September 9, 2016, 30 days from today. Owl will make every effort to conduct the survey prior to that date by reprioritizing existing field activities but will accomplish it no later than that date.

Best regards,

Ben Stone, Partner SOS Consulting, LLC

Agent for Owl SWD Operating, LLC

Cc: Project file