

Initial Application Part I

Received: 3/18/2019

This application is placed in file for record. It MAY or MAY NOT have been reviewed to be determined Administratively Complete

RECEIVED: 3/18/2019	REVIEWER:	TYPE: SWD	APP NO: PMAM19077 55670
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Geological & Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Mesquite SWD, Inc. OGRID Number: 161968
 Well Name: Salado Draw SWD 13 No. 1 API: 30-025-42354
 Pool: SWD; Devonian Pool Code: N/A

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

MAR 18 2019 PM 02:38

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

2) NOTIFICATION REQUIRED TO: Check those which apply.

- A. ☒ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☒ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☒ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

☐ Notice Complete
☐ Application Content Complete

3) 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.

David Catanach

Print or Type Name

David Catanach

Signature

3/13/19

Date

(505) 690-9453

Phone Number

catanach_david@comcast.net
 e-mail Address

March 13, 2019

Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Attention: Mr. Gabriel Wade
Acting Division Director

Re: Application to Amend Order SWD-1488-A
Salado Draw SWD 13 Well No. 1
API No. (30-025-42354)
Surface Location: 292' FSL & 10' FWL, Unit M of Section 13 (**Re-surveyed**)
Bottom Hole Location: 334' FSL & 38' FEL, Unit P of Section 14
Both in Township 26 South, Range 32 East, NMPM,
Lea County, New Mexico

Dear Mr. Wade,

By Order SWD-1488 dated June 13, 2014 Chevron USA, Inc. ("Chevron") was authorized to utilize its Salado Draw SWD 13 No. 1, located 292 feet from the South line and 10 feet from the West line (Unit M) of Section 13, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico, as a produced water disposal well, injection to occur into the Devonian and Silurian formations through the open-hole interval from approximately 17,410 feet to 18,200 feet through 4 ½" tubing set in a packer within 100 feet of the permitted injection interval. Pursuant to Order SWD-1488, the permit would expire on June 13, 2016 unless the operator has commenced injection into the well.

By Order SWD-1488-A dated June 22, 2017 Chevron obtained an amendment to Order SWD-1488 to authorize:

1. Extension of the deadline to commence injection into the Salado Draw SWD 13 No. 1 until June 22, 2019; and
2. Expansion of the injection interval in the Devonian and Silurian formations to include depths from 17,729 feet to 19,300 feet. The expansion of the injection interval was necessitated by low permeability within the originally permitted interval.

Division records indicate that Chevron commenced operations to deepen the subject well on or about November 26, 2016. Due to mechanical issues encountered while deepening, Chevron elected to plug back the well to a depth of 13,430 feet by setting cement plugs at 18,085'-18,261', 16,865'-17,192', 15,005'-15,505', 14,294'-14,730' and 13,430'-14,004'. The well was then pressure tested and temporarily abandoned as of February 9, 2017.

Mesquite SWD, Inc.
Application to Amend SWD-1488-A
Salado Draw SWD 13 No. 1
March 13, 2019

Mesquite SWD, Inc., ("Mesquite") assumed operatorship of the well from Chevron on or about November 15, 2017.

Mesquite conducted a mechanical integrity pressure test on the subject well on March 28, 2018 and requested that BLM approve temporary abandonment status for one year. BLM subsequently granted temporary abandonment status until August 17, 2018.

On March 13, 2018 Mesquite filed a Form 3160-5 with the BLM requesting authorization to enter the TA'd wellbore, set cement plug and whipstock, sidetrack at approximately 11,530 feet with 8 ½" bit, drill to approximately 17,820 feet and run a 7 5/8" liner. Mesquite further requested authorization to drill a 6 ½" open-hole to 19,300 feet. BLM approved the drilling plan on April 4, 2018. The OCD Hobbs office received a copy of the sundry notice on April 6, 2018.

On December 27, 2018 Mesquite commenced entry operations on the Salado Draw SWD 13 No. 1. Sidetrack and completion operations were completed on February 24, 2019.

Mesquite respectfully requests that Order SWD-1488-A be amended by:

1. Reflecting that Mesquite is the current operator of the Salado Draw SWD 13 No. 1;
2. Granting authorization for the sidetrack and subsequent drilling operations conducted on the well;
3. Granting authorization for a change in the casing and tubing configuration to allow for the setting of a 7 5/8" liner, and the use of 7" and 5 ½" tubing in the well;
4. Expanding the injection interval in the Devonian and Silurian formations to 17,876 feet to 19,460 feet; and
5. Granting authorization to inject into the subject well at a bottom hole location 334 feet from the South line and 38 feet from the East line (Unit P) of Section 14, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico.

In support of this request, Mesquite hereby submits the following documentation and supporting data:

1. Administrative Application Checklist;
2. Form C-108;
3. Form C-102 showing surface and bottom hole well locations;
4. Copy of Order SWD 1488-A;
5. Wellbore schematic diagram;
6. Any changes to the operation of this well as a result of the operator change;
7. Salado Draw SWD 13 No. 1 Direction Survey dated February 18, 2019;
8. 1-Mile Area of Review ("AOR") Map;
9. List of all existing, proposed and PA'd AOR wells;
10. Affirmative Statement;
11. Source Water Analysis;

Mesquite SWD, Inc.
Application to Amend SWD-1488-A
Salado Draw SWD 13 No. 1
March 13, 2019

12. State Engineer fresh water well data
13. Proof of Notice and Proof of Publication;
14. BLM Form 3160-5 dated March 13, 2018;
15. BLM Form 3160-5 dated March 30, 2018;
16. OCD Form C-145 dated November 15, 2017; and
17. BLM Form 3160-5 dated March 2, 2019

I believe that all the information necessary to approve the requested amendment is enclosed. If additional information is needed, please contact me at (505) 690-9453.

Sincerely,



David Catanach-Agent
Mesquite SWD, Inc.
P.O. Box 1479
Carlsbad, New Mexico 88221-1479

Xc: OCD-Hobbs

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage
Application qualifies for administrative approval? Yes No
- II. OPERATOR: Mesquite SWD, Inc.
ADDRESS: P.O. Box 1479, Carlsbad, New Mexico 88221-1479
CONTACT PARTY: David Catanach-Agent PHONE: 505-690-9453
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? Yes X No
If yes, give the Division order number authorizing the project: _____
- 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: David Catanach TITLE: Agent
SIGNATURE: David Catanach DATE: 03/13/2019
E-MAIL ADDRESS: _____
- * 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: _____

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.

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-8728

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
Property Code	Property Name SALADO DRAW SWD 13		Well Number 1
OGRID No.	Operator Name MESQUITE SWD		Elevation 3169.6'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	13	26-S	32-E		292	SOUTH	10	WEST	LEA

Bottom Hole Location If Different From Surface

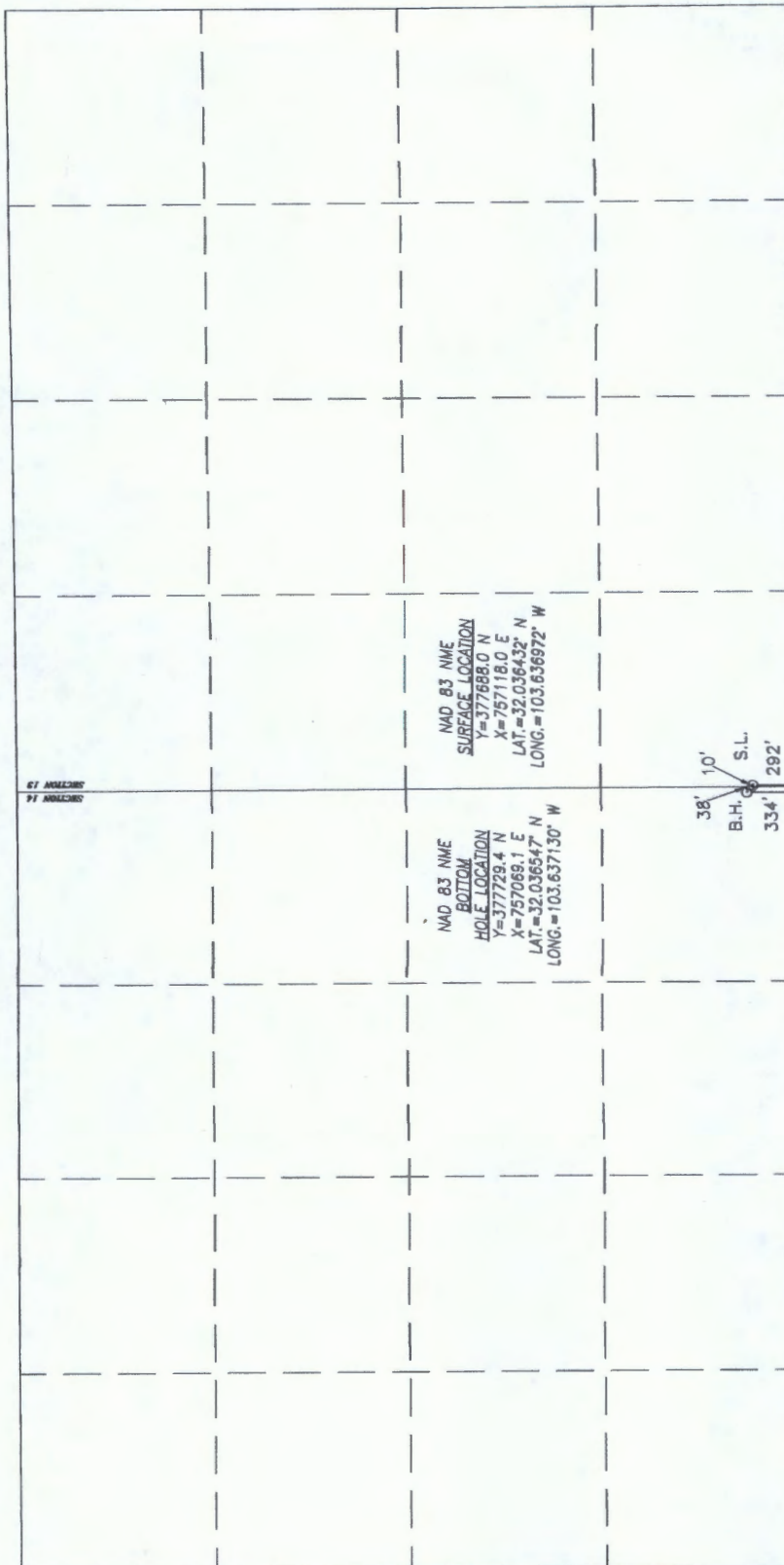
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	14	26-S	32-E		334	SOUTH	38	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
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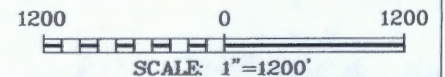
**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**

SEE PAGE 2

Property Code	Property Name SALADO DRAW SWD 13	Well Number 1
OGRID No.	Operator Name MESQUITE SWD	Elevation 3169.6'



SURFACE LOCATION, BOREPATH, AND BOTTOM HOLE SHOWN HEREON ARE BASED ON DIRECTIONAL SURVEY REPORT PROVIDED BY MESQUITE SWD FOR THE SALADO DRAW SWD 13 #1 SUPPLIED TO HARCROW SURVEYING, LLC ON MARCH 7, 2019



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

NOV. 22, 2013/FEB. 18, 2019

Date of Survey/Date of Geographic Survey

Signature & Seal of Professional Surveyor



Certificate No. CHAD HARCROW 17777

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



Administrative Order SWD-1488-A
June 22, 2017

**ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION**

Pursuant to the provisions of Division Rule 19.15.26.8(B) NMAC, Chevron USA, Incorporated (the "operator") seeks an administrative order to utilize its proposed Salado Draw SWD 13 Well No. 1 with a location of 290 feet from the South line and 10 feet from the West line, Unit letter M of Section 13, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico, for produced water disposal purposes.

The operator petitioned the Division to extend the deadline to commence injection under Administrative Order SWD-1488. The Division reviewed the well file along with the drilling history provided by the operator and found that the well was not able to commence injection by the stipulated deadline due to complex downhole problems that extended for several months. The operator also stated that an evaluation of the upper portion of the permitted interval indicated very low permeability and the Division delayed the issuance of an amended order until the operator had completed deepening of the open-hole interval. The current request for an extension of the deadline was to provide the opportunity to re-enter the well and complete the final deepening of the borehole into the Fusselman formation.

Additionally, this Order provides for corrected depths of the permitted injection interval, the Devonian and Silurian formations, following the submittal of data as requested in the original order. This amended Order approves the minor modifications for the extension of the deadline to commence injection and the corrected depths of the permitted interval. This Order supersedes Administrative Order SWD-1488 issued June 13, 2014.

THE DIVISION DIRECTOR FINDS THAT

The application has been duly filed under the provisions of Rule 19.15.26.8(B) NMAC and satisfactory information has been provided that affected parties as defined in said rule have been notified and no objections have been received within the prescribed waiting period. The applicant has presented satisfactory evidence that all requirements prescribed in Rule 19.15.26.8 NMAC have been met and the operator is in compliance with Rule 19.15.5.9 NMAC.

IT IS THEREFORE ORDERED THAT

The applicant, Chevron USA, Incorporated (OGRID 4323), is hereby authorized to utilize its Salado Draw SWD 13 Well No. 1 (API 30-025-42354) with a location of 290 feet from the

South line and 10 feet from the West line, Unit letter M of Section 13, Township 26 South, Range 32 East, NMPM, Lea County, for disposal of oil field produced water (UIC Class II only) through open hole into the Devonian and Silurian formations from 17729 feet to 19300 feet. Injection will occur through internally-coated, 4½-inch or smaller tubing and a packer set within 100 feet of the permitted interval

IT IS FURTHER ORDERED THAT

The operator shall take all steps necessary to ensure that the disposed water enters only the approved disposal interval and is not permitted to escape to other formations or onto the surface. This includes the well construction proposed and described in the application, and as modified by the requirements of the Bureau of Land Management

The operator shall supply the Division and the Bureau of Land Management, Carlsbad office with a copy of a mudlog over any new drilled portion of the permitted disposal interval not previously submitted in the mudlog dated August 2015. If significant hydrocarbon shows occur while drilling, the operator shall notify the Division's District I office and the operator shall be required to receive written permission prior to commencing disposal

The operator shall also provide a summary of depths (picks) for formation tops in the injection interval to the Division's District I office prior to commencing disposal.

After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. The casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity

The well shall pass an initial mechanical integrity test ("MIT") prior to initially commencing disposal and prior to resuming disposal each time the disposal packer is unseated. All MIT procedures and schedules shall follow the requirements in Division Rule 19.15 26 11(A) NMAC. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in this well

The maximum surface injection pressure on the well shall be limited to **no more than 3575 psi**. In addition, the disposal well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface tubing pressure to the maximum allowable pressure for this well

The Director of the Division may authorize an increase in tubing pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the disposed fluid from the target formation. Such proper showing shall be demonstrated by sufficient evidence including but not limited to an acceptable Step-Rate Test

The operator shall notify the supervisor of the Division's District I office of the date and time of the installation of disposal equipment and of any MIT so that the same may be inspected and witnessed. The operator shall provide written notice of the date of commencement of disposal

to the Division's District office. The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Division Rules 19 15 26 13 and 19 15 7 24 NMAC

Without limitation on the duties of the operator as provided in Division Rules 19 15.29 and 19 15 30 NMAC, or otherwise, the operator shall immediately notify the Division's District I office of any failure of the tubing, casing or packer in the well, or of any leakage or release of water, oil or gas from around any produced or plugged and abandoned well in the area, and shall take such measures as may be timely and necessary to correct such failure or leakage

The injection authority granted under this order is not transferable except upon division approval. The Division may require the operator to demonstrate mechanical integrity of any injection well that will be transferred prior to approving transfer of authority to inject

The Division may revoke this injection permit after notice and hearing if the operator is in violation of Rule 19 15 5 9 NMAC

The disposal authority granted herein shall terminate two (2) years after the effective date of this order if the operator has not commenced injection operations into the subject well. One year after the last date of reported disposal into this well, the Division shall consider the well abandoned, and the authority to dispose will terminate *ipso facto*. The Division, upon written request mailed by the operator prior to the termination date, may grant an extension thereof for good cause

Compliance with this order does not relieve the operator of the obligation to comply with other applicable federal, state or local laws or rules, or to exercise due care for the protection of fresh water, public health and safety and the environment

Jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the disposal authority granted herein



DAVID R. CATANACH
Director

DRC/prg

cc: Oil Conservation Division – Hobbs District Office
Bureau of Land Management – Carlsbad Field Office
Well file 30-025-42354

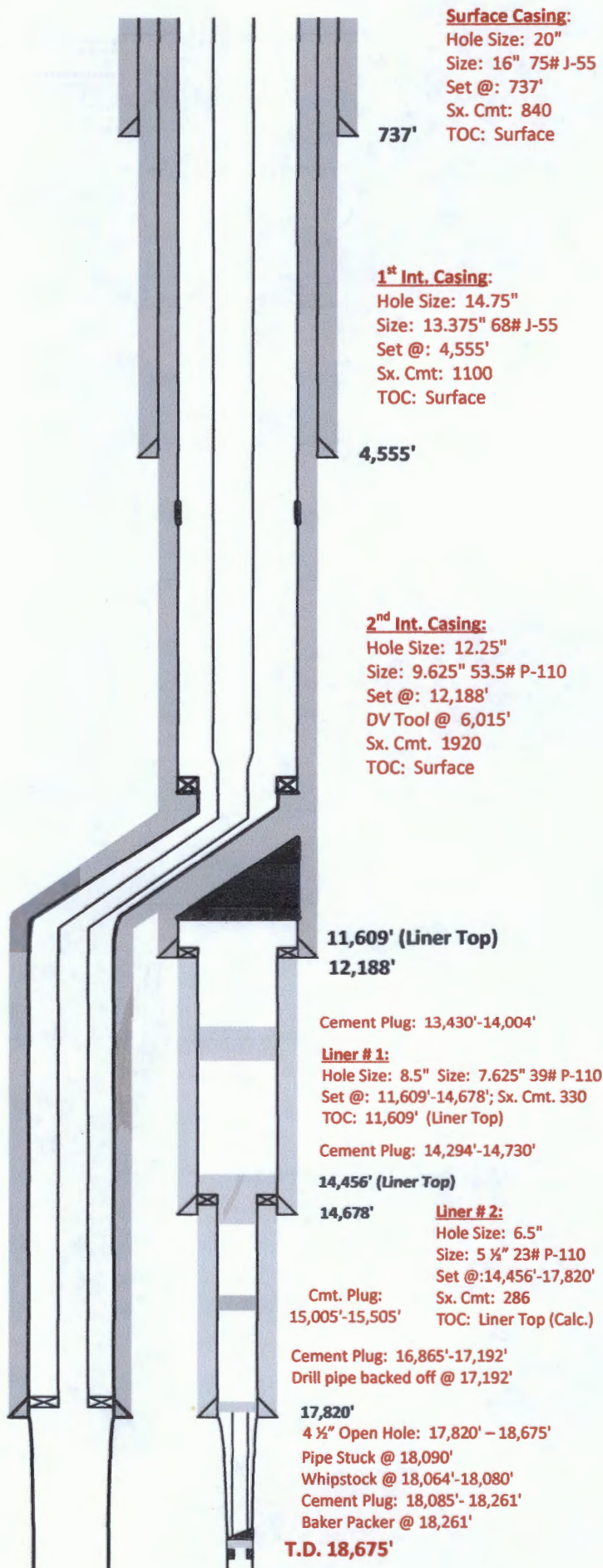
Salado Draw SWD 13 No. 1: Current Wellbore Schematic
Surface Location: 292' FSL & 10' FWL (Unit M-13-26S-32E)
BHL: 334' FSL & 38' FEL (Unit P-14-26S-32E)

Re-Entry Operations

Ran 5 ½" 20# P-110 tubing from 11,036'-17,849' and 7" 26# P-110 tubing from surface to 11,036'. Set Packer @ 17,855'

Open Hole Injection Interval
Interval: 17,876'- 19,460'

T.D. 19,460'



Amended Form C-108 Application
Mesquite SWD, Inc.
Salado Draw SWD 13 No. 1
Surface Location: 292' FSL & 10' FWL (Unit M of Section 13)
Bottom Hole Location: 334' FSL & 38' FEL (Unit P of Section 14)
Both in Township 26 South, Range 32 East, NMPM,
Lea County, New Mexico

Operational Changes to the Original C-108

1. Operator: Mesquite SWD, Inc.
P.O. Box 1479
Carlsbad, New Mexico 88221-1479
Contact Parties: Melanie Wilson (575) 914-1461
David Catanach (505) 690-9453
2. Revised 1-Mile Area of Review ("AOR") Map and AOR well listing is attached. None of the 25 proposed, existing or plugged and abandoned wells penetrate the proposed injection interval.
3. The average injection rate is anticipated to be approximately 30,000 BWPD. The maximum rate will be approximately 40,000 BWPD. If the average or maximum rates increase in the future, the Division will be notified.
4. Initial injection pressure will be 3,575 psi, in conformance with the Division's limit of 0.2 psi/ft.
5. Produced water from the Bone Spring, Wolfcamp, Delaware and other producing formations originating from wells in this area will be injected into the subject well. Produced water analysis from various producing wells in Township 26 South, Range 31 East, that produce from the Delaware, Bone Spring and Wolfcamp is attached. These produced water analyses were obtained from the GO Tech website.
6. An examination of Division records indicate that the Siluro-Devonian formation is not productive within one mile of the Salado Draw SWD 13 No. 1.
7. Geologic Formation: Devonian/Silurian
Estimated Top: 17,875'
Thickness: 1,585'
Lithology: Limestone w/Interbedded Dolomites
8. According to data obtained from the New Mexico State Engineer, there are no fresh water wells located within one-mile of the Salado Draw SWD 13 No. 1.

Mesquite SWD

Lea County, NM (NAD 83)

Sec 13-T26S-R32E

Salado Draw SWD #13-1

Wellbore #1

Survey: Survey #2

Standard Survey Report

18 February, 2019

Survey Report

Company:	Mesquite SWD	Local Co-ordinate Reference:	Site Sec 13-T26S-R32E
Project:	Lea County, NM (NAD 83)	TVD Reference:	KB=28 @ 3199.00usft
Site:	Sec 13-T26S-R32E	MD Reference:	KB=28 @ 3199.00usft
Well:	Salado Draw SWD #13-1	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDM 5000.1

Project	Lea County, NM (NAD 83)		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site		Sec 13-T26S-R32E			
Site Position:		Northing:	377,688.00 usft	Latitude:	32.03643
From:	Lat/Long	Easting:	757,118.00 usft	Longitude:	-103.63698
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16 "	Grid Convergence:	0.37 °

Well	Salado Draw SWD #13-1, MS					
Well Position	+N/-S	0.00 usft	Northing:	377,688.00 usft	Latitude:	32.03643
	+E/-W	0.00 usft	Easting:	757,118.00 usft	Longitude:	-103.63698
Position Uncertainty		0.00 usft	Wellhead Elevation:	0.00 usft	Ground Level:	3,171.00 usft

Wellbore	Wellbore #1				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	HDGM	2/28/2018	6.80	59.70	47,829

Design	Wellbore #1				
Audit Notes:					
Version:	1.0	Phase:	ACTUAL	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)	
	0.00	0.00	0.00		0.00

Survey Program	Date	2/18/2019			
From (usft)	To (usft)	Survey (Wellbore)	Tool Name	Description	
100.00	11,433.46	Survey #1 (Wellbore #1)	NS-GYRO-MS	North sensing gyrocompassing m/s	
11,623.00	17,888.00	Survey #2 (Wellbore #1)	MWD	MWD - Standard	

Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
11,433.46	1.74	246.21	11,432.40	-15.23	-34.13	-15.23	0.00	0.00	0.00
Salado Draw SWD #13-1									
11,623.00	5.71	356.87	11,621.63	-6.96	-37.28	-6.96	3.44	2.09	58.38
1st MWD Survey									
11,778.00	5.05	4.78	11,775.95	7.53	-37.14	7.53	0.64	-0.43	5.10
11,872.00	3.87	18.49	11,869.67	14.67	-35.78	14.67	1.68	-1.26	14.59
11,965.00	2.59	2.67	11,962.52	19.74	-34.69	19.74	1.66	-1.38	-17.01
12,058.00	2.33	40.02	12,055.44	23.29	-33.38	23.29	1.71	-0.28	40.16
12,153.00	2.24	37.65	12,150.36	26.24	-31.00	26.24	0.14	-0.09	-2.49

Survey Report

Company:	Mesquite SWD	Local Co-ordinate Reference:	Site Sec 13-T26S-R32E
Project:	Lea County, NM (NAD 83)	TVD Reference:	KB=28 @ 3199.00usft
Site:	Sec 13-T26S-R32E	MD Reference:	KB=28 @ 3199.00usft
Well:	Salado Draw SWD #13-1	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDM 5000.1

Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
12,247.00	2.24	41.60	12,244.29	29.07	-28.66	29.07	0.16	0.00	4.20	
12,342.00	1.85	37.74	12,339.23	31.67	-26.49	31.67	0.44	-0.41	-4.06	
12,436.00	1.36	31.85	12,433.19	33.81	-24.97	33.81	0.55	-0.52	-6.27	
12,532.00	1.01	37.03	12,529.17	35.46	-23.86	35.46	0.38	-0.36	5.40	
12,628.00	1.10	35.10	12,625.16	36.89	-22.82	36.89	0.10	0.09	-2.01	
12,723.00	0.79	19.63	12,720.14	38.25	-22.08	38.25	0.42	-0.33	-16.28	
12,818.00	0.57	28.68	12,815.14	39.28	-21.63	39.28	0.26	-0.23	9.53	
12,912.00	0.48	0.38	12,909.13	40.08	-21.40	40.08	0.29	-0.10	-30.11	
13,006.00	0.48	3.46	13,003.13	40.87	-21.38	40.87	0.03	0.00	3.28	
13,194.00	0.22	352.96	13,191.13	42.02	-21.37	42.02	0.14	-0.14	-5.59	
13,289.00	0.31	325.49	13,286.13	42.41	-21.54	42.41	0.16	0.09	-28.92	
13,384.00	0.26	291.57	13,381.12	42.70	-21.89	42.70	0.18	-0.05	-35.71	
13,481.00	0.18	289.37	13,478.12	42.83	-22.24	42.83	0.08	-0.08	-2.27	
13,576.00	0.22	289.00	13,573.12	42.94	-22.55	42.94	0.04	0.04	-0.39	
13,671.00	0.18	266.43	13,668.12	42.99	-22.87	42.99	0.09	-0.04	-23.76	
13,830.00	0.04	326.72	13,827.12	43.02	-23.15	43.02	0.10	-0.09	37.92	
14,019.00	0.09	273.55	14,016.12	43.09	-23.33	43.09	0.04	0.03	-28.13	
14,145.00	0.40	225.91	14,142.12	42.79	-23.75	42.79	0.27	0.25	-37.81	
14,241.00	0.35	217.65	14,238.12	42.32	-24.17	42.32	0.08	-0.05	-8.60	
14,335.00	0.18	276.89	14,332.12	42.11	-24.49	42.11	0.32	-0.18	63.02	
14,428.00	0.13	235.05	14,425.12	42.07	-24.72	42.07	0.13	-0.05	-44.99	
14,523.00	0.48	259.13	14,520.12	41.93	-25.20	41.93	0.38	0.37	25.35	
14,619.00	0.40	273.12	14,616.11	41.87	-25.93	41.87	0.14	-0.08	14.57	
14,712.00	0.44	226.70	14,709.11	41.65	-26.51	41.65	0.36	0.04	-49.91	
14,806.00	0.35	235.05	14,803.11	41.23	-27.01	41.23	0.11	-0.10	8.88	
14,898.00	0.22	254.48	14,895.11	41.03	-27.41	41.03	0.17	-0.14	21.12	
14,992.00	0.31	217.30	14,989.11	40.78	-27.74	40.78	0.20	0.10	-39.55	
15,086.00	0.22	208.86	15,083.11	40.41	-27.98	40.41	0.10	-0.10	-8.98	
15,179.00	0.40	216.33	15,176.10	40.00	-28.26	40.00	0.20	0.19	8.03	
15,271.00	0.40	216.33	15,268.10	39.48	-28.64	39.48	0.00	0.00	0.00	
15,366.00	0.31	213.52	15,363.10	39.00	-28.98	39.00	0.10	-0.09	-2.96	
15,434.00	0.40	232.30	15,431.10	38.70	-29.27	38.70	0.21	0.13	27.62	
15,554.00	0.26	280.40	15,551.10	38.49	-29.87	38.49	0.25	-0.12	40.08	
15,650.00	0.44	253.24	15,647.10	38.43	-30.44	38.43	0.25	0.19	-28.29	
15,743.00	0.35	266.52	15,740.09	38.31	-31.06	38.31	0.14	-0.10	14.28	
15,838.00	0.35	247.18	15,835.09	38.18	-31.62	38.18	0.12	0.00	-20.36	
15,930.00	0.35	259.13	15,927.09	38.01	-32.15	38.01	0.08	0.00	12.99	
16,023.00	0.22	226.88	16,020.09	37.84	-32.56	37.84	0.22	-0.14	-34.68	
16,119.00	0.44	251.40	16,116.09	37.59	-33.05	37.59	0.27	0.23	25.54	
16,214.00	0.48	241.73	16,211.08	37.29	-33.74	37.29	0.09	0.04	-10.18	
16,309.00	0.40	226.53	16,306.08	36.87	-34.33	36.87	0.15	-0.08	-16.00	
16,405.00	0.35	230.57	16,402.08	36.46	-34.80	36.46	0.06	-0.05	4.21	
16,500.00	0.44	260.10	16,497.08	36.21	-35.39	36.21	0.23	0.09	31.08	

Survey Report

Company:	Mesquite SWD	Local Co-ordinate Reference:	Site Sec 13-T26S-R32E
Project:	Lea County, NM (NAD 83)	TVD Reference:	KB=28 @ 3199.00usft
Site:	Sec 13-T26S-R32E	MD Reference:	KB=28 @ 3199.00usft
Well:	Salado Draw SWD #13-1	North Reference:	Grid
Wellbore:	Wellbore #1	Survey Calculation Method:	Minimum Curvature
Design:	Wellbore #1	Database:	EDM 5000.1


Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
16,595.00	0.48	237.78	16,592.07	35.93	-36.08	35.93	0.19	0.04	-23.49
16,690.00	0.53	257.64	16,687.07	35.63	-36.85	35.63	0.19	0.05	20.91
16,786.00	0.62	287.96	16,783.07	35.69	-37.78	35.69	0.33	0.09	31.58
16,881.00	0.66	264.85	16,878.06	35.80	-38.81	35.80	0.27	0.04	-24.33
16,976.00	0.70	278.29	16,973.05	35.84	-39.93	35.84	0.17	0.04	14.15
17,071.00	0.62	283.39	17,068.05	36.04	-41.00	36.04	0.10	-0.08	5.37
17,167.00	0.79	290.25	17,164.04	36.39	-42.13	36.39	0.20	0.18	7.15
17,261.00	0.84	277.85	17,258.03	36.71	-43.42	36.71	0.19	0.05	-13.19
17,357.00	0.75	271.51	17,354.02	36.82	-44.75	36.82	0.13	-0.09	-6.60
17,453.00	0.59	283.72	17,450.01	36.95	-45.85	36.95	0.22	-0.17	12.72
17,548.00	0.50	278.47	17,545.01	37.13	-46.74	37.13	0.11	-0.09	-5.53
17,643.00	0.59	317.79	17,640.01	37.55	-47.48	37.55	0.40	0.09	41.39
17,738.00	1.73	354.13	17,734.99	39.34	-47.95	39.34	1.37	1.20	38.25
17,821.00	0.63	312.97	17,817.97	40.90	-48.42	40.90	1.59	-1.33	-49.59
Last MWD Survey 17821 MD/17817.97 TVD 40.90 N -48.42 W N: 377728.9 E: 757069.5									
17,888.00	0.63	312.97	17,884.96	41.40	-48.95	41.40	0.00	0.00	0.00
PTB 17888 MD/17884.96 TVD 41.40 N -48.95 W N: 377729.4 E: 757069.0 - TD Salado Draw SWD #13-1									

Survey Annotations				
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
11,623.00	11,621.63	-6.96	-37.28	1st MWD Survey
17,821.00	17,817.97	40.90	-48.42	Last MWD Survey 17821 MD/17817.97 TVD 40.90 N -48.42 W N: 377728.9 E: 757069.5
17,888.00	17,884.96	41.40	-48.95	PTB 17888 MD/17884.96 TVD 41.40 N -48.95 W N: 377729.4 E: 757069.0

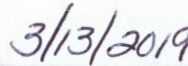
Checked By: _____	Approved By: _____	Date: _____
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**Amended Form C-108
Affirmative Statement
Mesquite SWD, Inc.
Salado Draw SWD 13 No. 1
SL: Section 13, T-26 South, R-32 East, NMPM,
BHL: Section 14, T-26 South, R-32 East, NMPM,
Lea County, New Mexico**

Available geologic and engineering data has been examined and no evidence of open faults or hydrological connection between the injection zone and any underground sources of drinking water has been found.



**David Catanach
Agent for Mesquite SWD, Inc.**



Date

Well Name	API No.	Section	Township	Range	Unit	Field	Formation	PH	TDS: Mg/l	Resistivity	Sodium: Mg/l	Calcium: Mg/l	Magnesium: Mg/l	Manganese: Mg/l	Chloride: Mg/l	Sulfate: Mg/l	CO2: Mg/l
SNAPPING 2 STATE #013H	3001542113	2	26S	31E	N		BONE SPRING 3RD SAND	6.5	94965.6		31352.7	3678.6	31.7	483.6	57489.5	244	0
SNAPPING 2 STATE #013H	3001542113	2	26S	31E	N		BONE SPRING 3RD SAND	7	94518.2	0.08933	30031.5	3402.8	30.9	438.9	58782.2		355.2
SNAPPING 2 STATE #013H	3001542113	2	26S	31E	N		BONE SPRING 3RD SAND	7.2	94863.9	0.08894	30224.8	3424	34.8	444	59015.2		365
SNAPPING 2 STATE #014H	3001542688	2	26S	31E	P		WOLFCAMP	7.3	81366.4	0.1004	26319.4	2687.4	20.1	326.7	50281.2		399.7
SNAPPING 2 STATE #013H	3001542113	2	26S	31E	N		BONE SPRING 3RD SAND	6.8	91289.1	0.08914	28721.3	3440.7	16.3	437.4	56957.4		327.9
ROSS RANCH 10 FEDERAL #001	3001529605	10	26S	31E	H			6.3	111430.5	0.07008	38922.4	3647.3	76.8	487.9	1.05	66173.2	366
ROSS RANCH 10 FEDERAL #001	3001529605	10	26S	31E	H			7	94116.9		46100	5224	349.6	719.3	3.73	0	73.2
SNAPPING 10 FEDERAL #005H	3001540994	10	26S	31E	P		BONE SPRING 2ND SAND	6.6	138161.9		44458.5	6280.8	29.7	781.3	0	84470	122
SNAPPING 10 FEDERAL #005H	3001540994	10	26S	31E	P		BONE SPRING 2ND SAND	6.6	130376		44458.5	6280.8	29.7	781.3	0	84470	122
SNAPPING 10 FEDERAL #001H	3001537899	10	26S	31E	B		AVALON UPPER	6.5	199638.8		68948.2	7560.4	111.2	1922.8	2.19	118195	732
SNAPPING 11 FEDERAL #001H	3001538193	11	26S	31E	N		AVALON UPPER	6.1	225189.8		77010.7	8743.8	636.1	1649.2	6.75	134075	366
SNAPPING 2 STATE #003H	3001539036	2	26S	31E	M		AVALON UPPER	6.1	223019		76001.7	10437.8	209.9	1922.4	4.5	131072	366
SNAPPING 2 STATE #006H	3001539162	2	26S	31E	O		AVALON UPPER	6.5	179788.5		71575.7	817.4	21.8	109.6	0	101374	3660
SNAPPING 2 STATE #006H	3001539162	2	26S	31E	O		AVALON UPPER	6.5	179938		71575.7	817.4	21.8	109.6	0	101374	3660
SNAPPING 10 FEDERAL #003H	3001539866	10	26S	31E	N		BONE SPRING 2ND SAND	6.5	152439.2		48495.7	6731.3	29.1	801.4	1.06	94055	244
E D WHITE FEDERAL NCT 1 #003	3001505886	26	26S	31E	O	MASON NORTH	DELAWARE		212112							132100	195
SNAPPING 10 FEDERAL #001H	3001537899	10	26S	31E	B		AVALON UPPER	7.1	209352.4		70089.5	7327	209	1557	2.5	127230	146.4
SNAPPING 11 FEDERAL #001H	3001538193	11	26S	31E	N		AVALON UPPER	7	196576.7		68797.3	8059	12	1066	0.9	118943	122
SNAPPING 11 FEDERAL #001H	3001538193	11	26S	31E	N		AVALON UPPER	7	203076.9		72261.4	4407	112	904	1.5	123172	1098
SNAPPING 2 STATE #001Y	3001539104	2	26S	31E	N		AVALON UPPER	7	162360.1		87137	3886	42	776	0.6	97161	1403

Mesquite SWD, Inc.
Application to Amend Order SWD-1488-A
Salado Draw SW D 13 No. 1
Source Water Analysis

New Mexico Office of the State Engineer
Water Column/Average Depth to Water

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest) (NAD83 UTM in meters)

No records found.

PLSS Search:

Section(s): 13, 14, 23, 24 **Township:** 26S **Range:** 32E

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

3/13/19 9:07 AM

WATER COLUMN/ AVERAGE
DEPTH TO WATER

Mesquite SWD, Inc.
Application to Amend Order SWD-1488-A
Salado Draw SWD 1.3 Well No. 1

March 13, 2019

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: See Attached Notice List

Re: Mesquite SWD, Inc.
Amended Form C-108 (Application to Amend Order SWD-1488-A)
Salado Draw SWD 13 Well No. 1
API No. (30-025-42354)
Surface Location: 292' FSL & 10' FWL (Unit M of Section 13)
Bottom Hole Location: 334' FSL & 38' FEL (Unit P of Section 14)
Both in Township 26 South, Range 32 East, NMPM,
Lea County, New Mexico

Ladies & Gentlemen:

Mesquite SWD, Inc. ("Mesquite") is applying to the New Mexico Oil Conservation Division to amend Order SWD-1488-A, which order authorized Chevron USA, Inc. to utilize its Salado Draw SWD 13 Well No. 1, located 292 feet from the South line and 10 feet from the West line (Unit M) of Section 13, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico, as a produced water disposal well, injection to occur into the Devonian and Silurian formations through the open-hole interval from approximately 17,729 feet to 19,300 feet.

Mesquite, the successor operator of the Salado Draw SWD 13 No. 1 has re-entered, sidetracked and deepened this well to a bottom hole location 334 feet from the South line and 38 feet from the East line (Unit P) of Section 14, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico.

Mesquite proposes to amend Order SWD-1488-A by authorizing injection into this well at the new bottom hole location, authorizing the expansion of the injection interval to include depths from 17,876 feet to 19,460 feet in the Devonian and Silurian formations, authorizing a change in the casing/tubing configuration of the wellbore, and designating Mesquite as the permittee of Order SWD-1488, as amended.

Produced water from the Bone Spring, Wolfcamp and other formations originating from wells in this area will be injected into the Salado Draw SWD 13 No. 1 at average and maximum rates of 30,000 and 40,000 barrels of water per day, respectively. The initial surface injection pressure for the well is anticipated to be at or below 3,575 psi., in compliance with Division regulations. The maximum surface injection pressure will be determined by step rate injection test.

As a result of these changes, you are being provided, as an offset operator/leasehold owner, or as the owner of the surface where the well is located, notice of this amended application.

Interested parties must file objections with the New Mexico Oil Conservation Division, 1220 S. St Francis Drive, Santa Fe, New Mexico 87505, within 15 days.

Mesquite SWD, Inc.
Application to Amend SWD-1488-A
Salado Draw SWD 13 No. 1
Page 2

If you should have any questions, please contact me at (505) 690-9453.

Sincerely,

A handwritten signature in dark ink, reading "David Catanach". The signature is fluid and cursive, with a long horizontal stroke extending from the end of the name.

David Catanach-Agent
Mesquite SWD, Inc.
P.O. Box 1479
Carlsbad, New Mexico 88221-1479

Xc: OCD-Hobbs

Application to Amend SWD-1488-A

Mesquite SWD, Inc.

Salado Draw SWD 13 No. 1

Surface Location: Unit M, Section 13, T-26S, R-32E, NMPM

BHL: Unit P, Section 14, T-26 South, R-32 East, NMPM

Notice List (Offset Operators and/or Leasehold Owners) (See Attached Map)

**Chevron USA, Inc.
6301 Deauville Blvd.
Midland, Texas 79706**

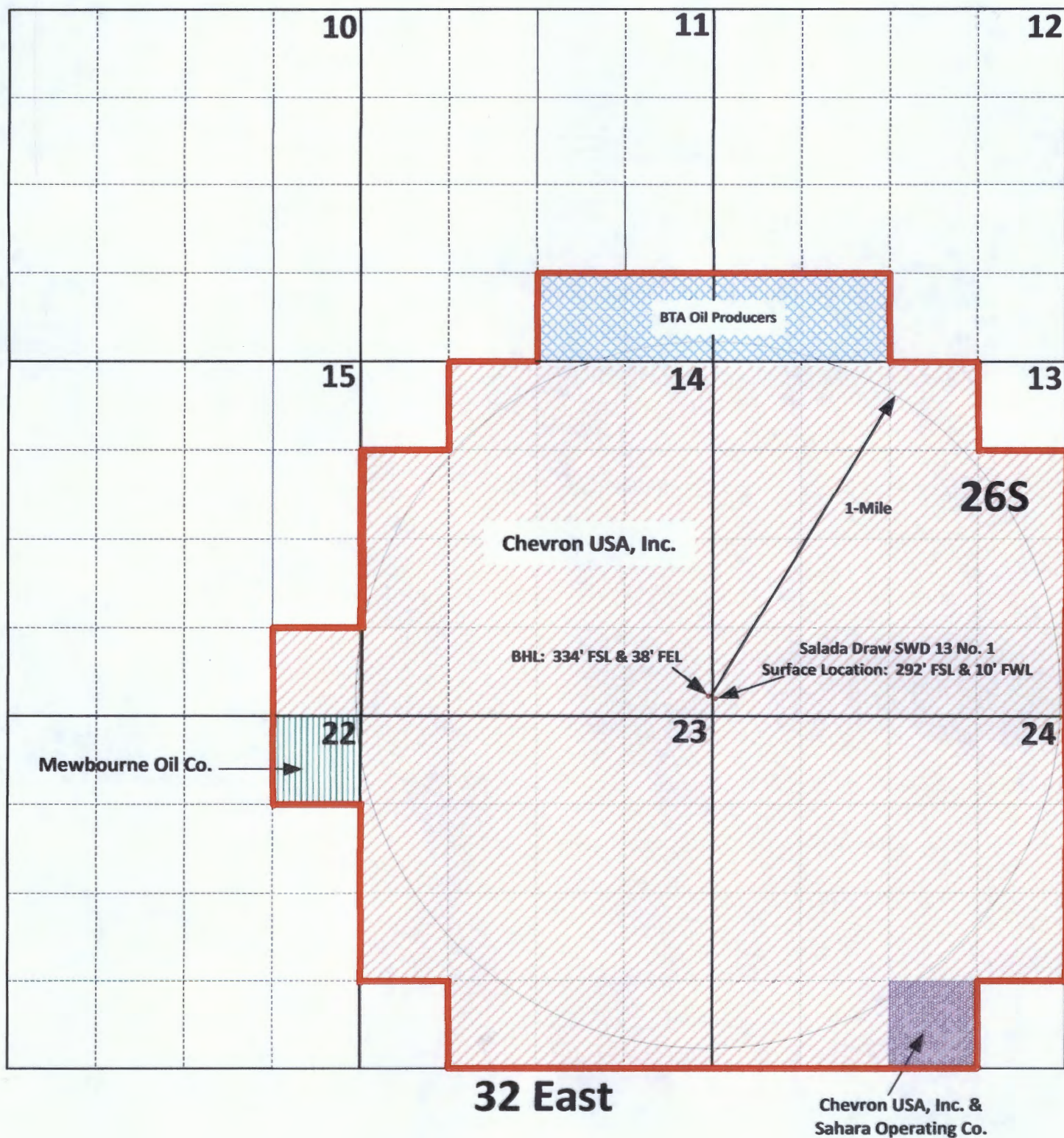
**Mewbourne Oil Company
P.O. Box 5270
Hobbs, New Mexico 88241**

**BTA Oil Producers, LLC
104 S. Pecos
Midland, Texas 79701**

**Sahara Operating Co.
P.O. Box 4130
Midland, Texas 79704**

(Surface Owner)

**Bureau of Land Management
620 E. Greene Street
Carlsbad, New Mexico 88220-6292**



Mesquite SWD, Inc.
 Application to Amend SWD-1488-A
 Salado Draw SWD 13 No. 1
 1-Mile Notice Area

7018 0680 0001 6409 2710

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For delivery information, visit our website at www.usps.com™.

HOBBS, NM 88241

Certified Mail Fee \$3.50

Extra Services & Fees (check box, add fee as appropriate)

- ☐ Return Receipt (hardcopy) \$2.80
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$1.75

Total \$8.05

Sent Mewbourne Oil Company

P.O. Box 5270

Hobbs, New Mexico 88241

PS Form 3800, April 2013 PSN 7530-02-000-9047 See reverse for instructions



7018 0360 0001 7019 3912

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MIDLAND, TX 79701

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- ☐ Return Receipt (hardcopy) \$2.80
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$1.75

Total \$8.05

Sent BTA Oil Producers, LLC

104 S. Pecos

Midland, Texas 79701

PS Form 3800, April 2013 PSN 7530-02-000-9047 See reverse for instructions



7018 0360 0001 7019 3905

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MIDLAND, TX 79704

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☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$1.75

Total \$8.05

Sent Sahara Operating Co.

P.O. Box 4130

Midland, Texas 79704

PS Form 3800, April 2013 PSN 7530-02-000-9047 See reverse for instructions



7018 0680 0001 6409 2703

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- ☐ Return Receipt (hardcopy) \$2.80
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$1.75

Total \$8.05

Sent Chevron USA, Inc.

6301 Deauville Blvd.

Midland, Texas 79706

PS Form 3800, April 2013 PSN 7530-02-000-9047 See reverse for instructions



7018 0360 0001 7019 3899

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only

For delivery information, visit our website at www.usps.com™.

CARLSBAD, NM 88220

Certified Mail Fee \$3.50

Extra Services & Fees (check box, add fee as appropriate)

- ☐ Return Receipt (hardcopy) \$2.80
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$1.75

Total \$8.05

Sent Bureau of Land Management

620 E. Greene Street

Carlsbad, New Mexico 88220-6292

PS Form 3800, April 2013 PSN 7530-02-000-9047 See reverse for instructions

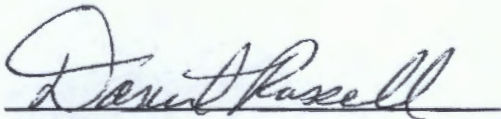


Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

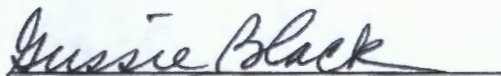
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
March 14, 2019
and ending with the issue dated
March 14, 2019.



Publisher

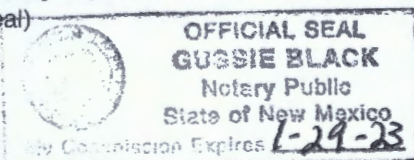
Sworn and subscribed to before me this
14th day of March 2019.



Business Manager

My commission expires
January 29, 2023

(Seal)



This newspaper is duly qualified to publish
legal notices or advertisements within the
meaning of Section 3, Chapter 167, Laws of
1937 and payment of fees for said

LEGAL

LEGAL

LEGAL NOTICE MARCH 14, 2019

Mesquite SWD, Inc. ("Mesquite") P.O. Box 1479, Carlsbad, New Mexico 88221-1479, is filing an Amended Form C-108 (Application for Authorization to Inject) with the Oil Conservation Division ("Division") seeking to amend Administrative Order SWD-1488-A, which order authorized Chevron USA, Inc. to utilize its Salado Draw SWD 13 Well No. 1, located 292 feet from the South line and 10 feet from the West line (Unit M) of Section 13, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico, as a produced water disposal well, injection to occur into the Devonian and Silurian formations through the open-hole interval from approximately 17,729 feet to 19,300 feet. API No. 30-025-42354

Mesquite, the successor operator of the Salado Draw SWD 13 No. 1 has re-entered, sidetracked and deepened this well to a bottom hole location 334 feet from the South line and 38 feet from the East line (Unit P) of Section 14, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico.

Mesquite proposes to amend Order SWD-1488-A by authorizing injection into this well at the new bottom hole location, authorizing the expansion of the injection interval to include depths from 17,876 feet to 19,460 feet in the Devonian and Silurian formations, authorizing a change in the casing/tubing configuration of the wellbore, and designating Mesquite as the permittee of Order SWD-1488, as amended.

Produced water from the Bone Spring, Wolfcamp and other formations originating from wells in this area will be injected into the Salado Draw SWD 13 No. 1 at average and maximum rates of 30,000 and 40,000 barrels of water per day, respectively. The initial surface injection pressure for the well is anticipated to be at or below 3,575 psi., in compliance with Division regulations. The maximum surface injection pressure will be determined by step rate injection test.

Interested parties must file objections with the New Mexico Oil Conservation Division, 1220 S. St Francis Drive, Santa Fe, New Mexico 87505, within 15 days of the date of this publication.

Additional information can be obtained by contacting Ms. Melanie Wilson-Regulatory Analyst-Mesquite SWD, Inc. at (575) 914-1461 or Mr. David Catanach-Agent for Mesquite SWD, Inc. at (505) 690-9453. #33886

67109601

00225824

DAVID CATANACH
REGULATORY CONSULTANT
1142 VUELTA DE LAS ACEQUIAS
SANTA FE, NM 87507

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNMOCD
HobbsFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018SUNDRY 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 page 2

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION		5. Lease Serial No. NMNM118722
2. Name of Operator MESQUITE SWD, INC.		6. If Indian, Allottee or Tribe Name
3a. Address PO BOX 1479 CARLSBAD, NM 88221		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 575-914-1461		8. Well Name and No. SALADO DRAW SWD 13 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T26S R32E Mer NMP SWSW 290FSL 10FWL		9. API Well No. 30-025-42354
		10. Field and Pool or Exploratory Area SWD;DEVONIAN
		11. County or Parish, State LEA COUNTY, NM

12. CHECK THE 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"/> Hydraulic Fracturing	<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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<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 recompletable 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 recompletable 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.

Mesquite SWD, Inc. respectfully requests permission to enter the TAd well bore, set cement plug and whipstock, sidetrack at approximately 11530 ft with 8 1/2 inch bit, drill to approximately 17820 ft and run 7 5/8 inch liner. Drill 6 1/2 inch open hole to 19300 ft. Detailed drilling plan and proposed well bore diagram are attached.

plug lengthened.
10m tested to 10,000 PSI!

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Electronic Submission #407575 verified by the BLM Well Information System For MESQUITE SWD, INC., sent to the Hobbs Committed to AFMSS for processing by PRISCILLA PEREZ on 03/16/2018 ()	
Name (Printed/Typed) MELANIE J WILSON	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 03/13/2018
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)

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD

Hobbs

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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 page 2

APR 06 2018
RECEIVED

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION		5. Lease Serial No. NMNM118722
2. Name of Operator MESQUITE SWD, INC.		6. If Indian, Allottee or Tribe Name
Contact: MELANIE J WILSON E-Mail: mjp1692@gmail.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address PO BOX 1479 CARLSBAD, NM 88221	3b. Phone No. (include area code) Ph: 575-914-1461	8. Well Name and No. SALADO DRAW SWD 13 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T26S R32E Mer NMP SWSW 290FSL 10FWL		9. API Well No. 30-025-42354
		10. Field and Pool or Exploratory Area SWD;DEVONIAN
		11. County or Parish, State LEA COUNTY, NM

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

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<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"/> Hydraulic Fracturing	<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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<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 must 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 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.

Mesquite SWD, Inc. respectfully requests an extension of the temporarily abandoned status for one year. A 3160-5 was filed through WIS 03/13/2018 requesting permission to enter the TA'd wellbore and attempt completion of a Devonian salt water disposal well. Mesquite SWD, Inc. plans to start this work in 2018 once the sundry is approved.

03/28/2018 - Mechanical integrity test ran. Pressure test to 500 psi for 42 minutes, no pressure loss. Copy of chart attached.

(exp 8-17-18)
6 month extension / sundry Ec# 407575 approved

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

Electronic Submission #409914 verified by the BLM Well Information System
For MESQUITE SWD, INC., sent to the Hobbs
Committed to AFMSS for processing by JENNIFER SANCHEZ on 04/02/2018 ()

Name (Printed/Typed) RILEY NEATHERLIN	Title OPERATIONS MANAGER
Signature (Electronic Submission)	Date 03/30/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APR 4 2018

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6181 Fax:(575) 393-0720

District II
811 S. First St., Artesia, NM 86210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico
Energy, Minerals and Natural
Resources**

**Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505**

Change of Operator

Form C-145
Revised May 19, 2017

Permit 244803

HOBBS

NOV 15 2017

RECEIVED

Previous Operator Information

OGRID: 4323
Name: CHEVRON U S A INC
Address: Attn:Permitting Team
6301 Deauville Blvd.
City, State, Zip: Midland, TX 79706

New Operator Information

Effective Date: Effective on the date of approval by the OCD
OGRID: 161968
Name: MESQUITE SWD, INC
Address: PO BOX 1479
City, State, Zip: CARLSBAD, NM 88221

I hereby certify that the rules of the Oil Conservation Division ("OCD") have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Additionally, by signing below, MESQUITE SWD, INC certifies that it has read and understands the following synopsis of applicable rules.

PREVIOUS OPERATOR certifies that all below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells being transferred are either (1) in compliance with 19.15.17 NMAC, (2) have been closed pursuant to 19.15.17.13 NMAC or (3) have been retrofitted to comply with Paragraphs 1 through 4 of 19.15.17.11(l) NMAC.

MESQUITE SWD, INC understands that the OCD's approval of this operator change:

1. constitutes approval of the transfer of the permit for any permitted pit, below-grade tank or closed-loop system associated with the selected wells; and
2. constitutes approval of the transfer of any below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells, regardless of whether the transferor has disclosed the existence of those below-grade tanks to the transferee or to the OCD, and regardless of whether the below-grade tanks are in compliance with 19.15.17 NMAC.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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 page 2**

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION		5. Lease Serial No. NMNM118722
2. Name of Operator MESQUITE SWD INCORPORATED		6. If Indian, Allottee or Tribe Name
Contact: MELANIE WILSON E-Mail: mjp1692@gmail.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address CARLSBAD, NM 88221	3b. Phone No. (include area code) Ph: 575-914-1461	8. Well Name and No. SALADO DRAW SWD 13 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T26S R32E SWSW 290FSL 10FWL 32.036301 N Lat, 103.636505 W Lon		9. API Well No. 30-025-42354-00-S1
		10. Field and Pool or Exploratory Area DEVONIAN SWD
		11. County or Parish, State LEA COUNTY, 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"/> Hydraulic Fracturing	<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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<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 recomple 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 recompletion 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.

12/27/18 to 12/30/18 - MIRU. Test BOP. Pick up 5" drill pipe and TIH open-ended to set cmt plug.

12/31/18 to 1/4/19 - TIH to 11765'. Pump 100 sx cmt. WOC and tag @ 11494'. Drill cmt to 11525'. TIH w/whipstock. Mill window in casing from 11507-11525' and sidetrack.

2/7/19 - TD 8-1/2" hole @ 17876'.

2/9/19 to 2/10/19 - Ran 7-5/8" 39# P-110 liner from 11166-17876'. Cmt w/555 sx Versacem H. Circ 99 sx to surface. WOC 48 hrs and test to 1035# for 30 mins.

2/16/19 - TD 6-1/2" hole @ 19460'.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #456540 verified by the BLM Well Information System For MESQUITE SWD INCORPORATED, sent to the Hobbs Committed to AFMSS for processing by PRISCILLA PEREZ on 03/04/2019 (18PP0769SE)	
Name (Printed/Typed) MELANIE WILSON	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 03/02/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	Title JONATHON SHEPARD PETROELUM ENGINEER	Date 03/05/2019
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 Hobbs

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)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #456540 that would not fit on the form

32. Additional remarks, continued

2/22/19 to 2/23/19 - Ran 5-1/2" 20# P-110 tbg from 11036-17849' and 7" 26# P-110 tubing from surface to 11036' and packer @ 17855'. Acidz w/250 bbls 15% HCL. Test backside to 500#.

2/24/19 - Rig released.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**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.***OCD-HOBBS**FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 20105. Lease Serial No.
NMNM118722
6. If Indian, Allottee or Tribe Name**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

JUN 14 2016

RECEIVED

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

8. Well Name and No.
SALADO DRAW SWD 13 19. API Well No.
30-025-4235410. Field and Pool, or Exploratory
SWD DEVONIAN; SILURIAN11. County or Parish, and State
LEA COUNTY, NM

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other: INJECTION

2. Name of Operator

CHEVRON USA INC

Contact: CINDY H MURILLO

E-Mail: CERRERAMURILLO@CHEVRON.COM

3a. Address

1616 W. BENDER BLVD
HOBBS, NM 88240

3b. Phone No. (include area code)

Ph: 575-263-0431
Fx: 575-263-0445

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 13 T26S R32E Mer NMP SWSW 290FSL 10FWL

12. CHECK 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
	<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 shall 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 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.)

THIS SUBSEQUENT REPORT IS FILED IN RESPONSE TO THE WRITTEN ORDER BY AUTHORIZED OFFICER DATED 04/13/2016. EXPLANATION OF ANNULUS MONITORING SYSTEM ON THE SUBJECT WELL. THE SYSTEM WAS PERSONONALLY INSPECTED BY PAUL SWARTZ ON 05/16/2016. FOLLOWING THE INSPECETION, MR SWARTZ PERMITTED CHEVRON TO RESUME INJECTION INTO THE SUBJECT WELL.

** PLEASE SEE ATTACHED DETAILED PROCEDURE ON ANNULUS MONITORING SYSTEM AND DIAGRAM.**

** PLEASE FORWARD TO PAUL SWARTZ**

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

Electronic Submission #340685 verified by the BLM Well Information System
For CHEVRON USA INC, sent to the Hobbs

Name (Printed/Typed) CINDY H MURILLO

Title PERMITTING SPECIALIST

Signature (Electronic Submission)

Date 05/31/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Office

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 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 any statement or representation to any agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
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.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION <i>SWD</i>		5. Lease Serial No. NMNM118722
2. Name of Operator CHEVRON USA INC <i>✓</i> Contact: CINDY H MURILLO E-Mail: CHERRERAMURILLO@CHEVRON.COM		6. If Indian, Allottee or Tribe Name
3a. Address 1616 W. BENDER BLVD HOBBS, NM 88240	3b. Phone No. (include area code) Ph: 575-263-0445 Fx: 575-263-0445	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T26S R32E Mer NMP SWSW 290FSL 10FWL <i>✓</i>		8. Well Name and No. SALADO DRAW SWD 13 1 <i>✓</i>
		9. API Well No. 30-025-42354 <i>✓</i>
		10. Field and Pool, or Exploratory SWD DEVONIAN SILURIAN
		11. County or Parish, and State LEA COUNTY, NM

RECEIVED**12. CHECK 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 Drilling Operations
	<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	

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SWD
CHEVRON USA INC HAS COMPLETED THE ABOVE ~~INJECTION WELL~~ AS FOLLOWS:
08/09/15 CONTINUED TO TIH FROM 5879' - 17,663'. CIRCULATE BOTTOMS UP @ 17,660'. PERFORM INJECTION RATE TEST, INITIAL PRESSURE OF 2050 PSI, BLEED TO 1235 IN 10 MIN.
08/10/15 TIF FROM 17,663' - 18,673 PUMPED 17 BBLS OF 15% HCL ACID; AT 17,873' PUMPED 40 BBLS OF 15% ACID DOWN WORK STRING.
08/11/15 THI TO BIT DEPTH 17,842', MIX 250 BBLS OF 15% ACID WHILE MONITORING PRESSURE, PUMP 223 BBLS 15% HCL DOWN DRILL PIPE.
08/12/15 TIH FROM 17,780' - 18,302'
08/13/15 TIF FROM 18,306' - 18,675' PUMP 247 BBLS OF 20% HACL ACID TAKING RETURNS TO MUD TANKS.
08/14/15 TOH FROM 17,612' - 14,385' PERFORM STEP RATE TEST BY INJECTING/BULL HEADING 8.4 PPG FRESH WATER INTO 4 1/2 OPEN HOLE SECTION. INJECT A TOTAL OF 1950 BBLS @ 5BPM. FINAL ANNULUS PRESSURE TO 2813 PSI.

see attached Order of Authorized Officer

14. I hereby certify that the foregoing is true and correct. Electronic Submission #335064 verified by the BLM Well Information System For CHEVRON USA INC, sent to the Hobbs Committed to AFMSS for processing by PRISCILLA PEREZ on 04/04/2016 ()	
Name (Printed/Typed) CINDY H MURILLO	Title PERMITTING SPECIALIST
Signature (Electronic Submission)	Date 03/30/2016
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved By _____	Title _____
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.	

ACCEPTED FOR RECORD

APR 15 2016 Date

PR Swartz

CARLSBAD FIELD OFFICE

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ******MAY 06 2016**

Printed On: Monday, March 25 2019

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