

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



January 22, 2016

Ben Stone, as agent for OWL SWD Operating, LLC
SOS Consulting, LLC
PO Box 300
Como, TX 75431

RE: Administrative Order SWD-1464; Modification of Allowed Tubing Size
Black Lake 7 SWD Well No. 1 (API 30-015-35558)
Unit C, Sec 7, T25S, R28E, NMPM, Eddy County, New Mexico
Order Date: March 5, 2014, Delaware Mountain Group
Permitted disposal depths: 2430 feet to 4350 feet

Dear Mr. Stone:

Reference is made to your request on behalf of OWL SWD Operating, LLC to modify the existing disposal permit by changing the maximum allowed tubing size from 3.5 inch to 4.5 inch OD.

The Division finds that granting this request will not unduly increase the chances of a premature abandonment or increase the chance of improper future plugging of this well.

All requirements of the above referenced administrative order and agreements in the application remain in full force and effect excepting the limitation on disposal tubing size is hereby increased to 4-1/2 inch.

Sincerely,

DAVID R. CATANACH
Director

DRC/wvjj

cc: Oil Conservation Division – Artesia District Office
Well File API 30-015-35558, SWD-1464

Jones, William V, EMNRD

From: Ben Stone <ben@sosconsulting.us>
Sent: Wednesday, January 20, 2016 2:56 PM
To: Goetze, Phillip, EMNRD; Dade, Randy, EMNRD
Cc: Jones, William V, EMNRD
Subject: Re: Owl's Black Lake 7 SWD No.1

Gentlemen:

I just checked the OCD Online and the sundry I filed is posted and shows "Denied".

Do I need to do anything to help straighten this out? I had already advised the operator that we had approval so they're expecting to get this installed pretty soon I think.

Thanks,
Ben

Goetze, Phillip, EMNRD

Tuesday, December 15, 2015 10:57 AM

Ben:

I talked to Randy yesterday, in the mistake that this well was in District ^I4. Randy and I have had the same discussion on the sizing of tubing. In general, OCD has always approved 4.5-inch in 7-inch casing. So proceed with installation, but make sure the sundry is properly filed with the correct District and touch base with Randy. PRG

Phillip R. Goetze, PG

Engineering and Geological Services Bureau
Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505
Direct: 505.476.3466
e-mail: phillip.goetze@state.nm.us



From: Ben Stone [<mailto:ben@sosconsulting.us>]
Sent: Tuesday, December 15, 2015 9:50 AM
To: Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>; Dade, Randy, EMNRD <Randy.Dade@state.nm.us>
Cc: Brown, Maxey G, EMNRD <MaxeyG.Brown@state.nm.us>; Jones, William V, EMNRD <WilliamV.Jones@state.nm.us>
Subject: Re: Owl's Black Lake 7 SWD No.1

Phillip and Randy (and Maxey),

I'm sorry, this well is in Eddy County... I was starting a change of plans sundry and realized I had typo'd '025' instead of '015' in the API.

Please advise,
Ben

Phillip and Randy (and Maxey),

I'm sorry, this well is in Eddy County... I was starting a change of plans sundry and realized I had typo'd '025' instead of '015' in the API.

Please advise,
Ben

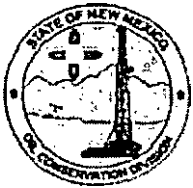
Goetze, Phillip, EMNRD

Tuesday, December 15, 2015 10:35 AM

Ben:

I talked with Maxey in District I this morning and went over the details. Both District and Santa Fe have approved the 4.5-inch tubing as proposed by OWL. Proceed and make sure the subsequent reports get filed with District. PRG

Phillip R. Goetze, PG
Engineering and Geological Services Bureau
Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505
Direct: 505.476.3466
e-mail: phillip.goetze@state.nm.us



From: Ben Stone [<mailto:ben@sosconsulting.us>]
Sent: Tuesday, December 15, 2015 9:18 AM
To: Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>
Subject: Re: Owl's Black Lake 7 SWD No.1

Just checking Phillip. I know you're busy but we're really getting into a time crunch needing to order pipe.

Thanks,
Ben

Just checking Phillip. I know you're busy but we're really getting into a time crunch needing to order pipe.

Thanks,
Ben

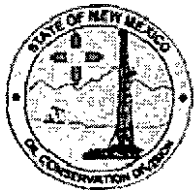
Goetze, Phillip, EMNRD

Monday, December 14, 2015 5:17 PM

Ben:

Will is unavailable and is attending to family issues. I will talk with Maxey tomorrow morning about the request for tubing size change.
The 4.5-inch tubing in 7-inch should not be a problem. PRG

Phillip R. Goetze, PG
Engineering and Geological Services Bureau
Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505
Direct: 505.476.3466
e-mail: phillip.goetze@state.nm.us



From: Ben Stone [<mailto:ben@sosconsulting.us>]
Sent: Monday, December 14, 2015 3:33 PM
To: Jones, William V, EMNRD <WilliamV.Jones@state.nm.us>

Cc: Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>

Subject: Re: Owl's Black Lake 7 SWD No.1

Hi Will,

I was hoping you're around. Sent in a request to upsize SWD tubing on 11/24/15 for Owl's Black Lake SWD-1464. We were denied upsize to 5.5" - THIS REQUEST IS FOR 4.5". Should not be any problems setting in 7" casing.

We have a rig moving in this week and need to order the pipe.

Can we get a verbal on this please?

Thanks,

Ben