Application Acronyms:

7/11/201 C

<u> ۲۷۵</u>

Puphen 161, 902/5 820

ABOVE THIS LINE FOR DIMISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- 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

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]

		PC-Poo []	[SWb-	gling] [OL rflood Expa Salt Water I	[CTB-Lease Commi .S - Off-Lease Stora nsion] [PMX-Pres Disposal] [IPI-Inje covery Certification	ge] [OLM-C sure Mainten ection Pressu	itive Production	rement] n] n Responsi	e]	
[1]	TYPE	OF API [A]	Location		Those Which Applynit - Simultaneous D		-5 60 - m = 5;	1638 guite 968	25413,	?+> c
		Check ([B]	Comming		ge - Measurement	PC 🗌 OL			y _Sud ors-pen	
		[C]			Pressure Increase - I			30- Po:	015-Pen	Sing
		[D]	Other: Sp	ecify				-5 wo	, Devon	ran_
[2]	NOTIF	FICATION [A]			- Check Those Whi y or Overriding Roy		Does Not Appl Owners	ly S; Æ	, Devon Luri An 57869	<u>ک</u>
		[B]	Offse	et Operators,	, Leaseholders or Su	rface Owner	•			
		[C]	Appl	lication is O	ne Which Requires	Published Leg	al Notice			
	يثمير	[D]	Notifus. Bu	fication and/ reau of Land Mana	or Concurrent Appr	oval by BLM blic Lands, State Lan	or SLO d Office			
	•	[E]	☐ For a	all of the abo	ve, Proof of Notific	ation or Public	cation is Attache	d, and/or,		
		[F]	☐ Waiv	vers are Atta	ched				p.	
				AND COMI	PLETE INFORMA ABOVE.	TION REQU	UIRED TO PRO	OCESS TI	не түре	
approva	l is acci	urate an	d complete	e to the best	that the information of my knowledge. notifications are sub	also understa	ınd that <mark>no acti</mark> o			
		Note:	Statement m	ust be comple SCC	eted by an individual wi	~	nd/or supervisory ca	ipacity.		, 7
Print of	Type Nai	ne me	<u> </u>	Signature	Appl (Ation	Title	s ent		Date Date	8, Zull
					4 , *	e-mail A	Address			-

ss	Row	C-108	
	1		Operator, Well, and Contact info:
	2		Name of person submitting the application: Kay Havenor Other Contact? JUL -8 P 2: 30
	3		Did you Include a contact Email in the application? Yes and Mailing Address? Yes and Phone? Yes
	4		Operator Name: Mesquite SWD, Inc. OGRID Num. 161968
	5		RULE 5.9 Compliance Number of Inactive Wells 1 vs Total Wells Operated 14 Is financial assurance required on any well? No Violation
_	6		Is there any hearing order finding this operator out of compliance with Division Rule 19.15.5.9 NMAC? No
	7		: Are all Rule 5.9 issues OK to allow the Division to issue Disposal Permits?
	8	III	Well Name: VL SWD,#1
	9		API Num: 30-015-not assigned Spud Date: new drill
	10		Have you included API numbers on all wellbore diagrams and well list(s) in this application? Yes
	11	الله الله	Proposed wellFootages 2142' FSL & 249' FEL Unit Sec 14 Tsp 24S Rge 28E County Eddy
	12		General Location (i.e. Y miles NW of Z): 1-mile SE of Malaga, NM,
	13		Current Well Status: To be new drill
	14	_	General Summary of Planned Work to Well: New drill through Siluro-Devonian (open-hole), complete for SWD.
	15		INTERVAL TOP and BOTTOM:
	16	IIIB.(2)	Proposed disposal Approx 15100'-16300' Formation Name Siluro-Devonian (include Member Names for Delaware or Mesaverde)
	17	IIIB.(2)	Proposed disposal Bottom Depth: 16300' Formation Name: Siluro-Devonian
	18	IIIB.(2)	Is the disposal interval OpenHole? Yes or Perfed?
	19	IIIB.(2)	What will be the disposal tubing size OD? 6-1/4" Packer Seat, Feet: approx 15100'
	20	VII	What max surf inj. psi are you proposing? 3020 If differing from 0.2 psi/ft surf. Grad., is supporting data attached such as a Step Rate Test?

Miss	Row	C-108	C-108 disposal application submittals… CHECKLIST to ensure all items are supplied or considered.
	21	·	FRESH WATERS:
	22	VIII	Depth to bottom of Fresh Waters: less than 250' Formation Name(s)? Quaternary alluvium
<u></u>	23	ΧI	Any Fresh Water Wells Within 1 Mile? Yes If so, did you attach an analysis from these Wells? Shallow water wells will be isolated by 2 cemented casing strings
	24		Are all "Fresh" waters isolated with Casing and Cement? Yes ("Fresh" water is defined as less than 10,000 mg/l of TDS)
	25	XII	Included "Affirmative Statement" concerning any Connection from Disposal Depths to existing Fresh Waters? Yes Item XII
	26	_	WASTE WATERS:
	27	ΧIV	Will this be a Lease Only disposal well? No or only used for the Operator's own waste needs? or Commercial Disposal? Yes
	28	VII	Which formations will supply the waste waters to be disposed into this well List most common: Delaware/Bone Springs
	29	VII	Are Waste waters compatible with proposed disposal interval waters? Yes Did you include waste water analysis? No
	30		AT PROPOSED WELLINSITU WATERS AND HYDROCARBON POTENTIAL:
	31		Is a discussion included of the potential for future OIL/GAS recovery from the proposed disposal interval? Yes
	32		If your proposed well for disposal is a depleted producer (within the proposed interval); do you know what was the cumulative oil/gas/water? and did you include a Rate-Time plot of this depleted interval?
	33	VII	Insitu water analysis Included? No — Is the salinity within the disposal interval more than 10,000 mg/l of TDS? — or how will you determine this insitu water salinity? Regional knowledge Siluro-Devonian.
	34	VIII	Does the application include a list of Formation tops down to and including the bottom of the target formation? Yes, on Page 11
	35		What is the top main salt 700' +/- and bottom 2700' +/- of the Salado Salt (If this well is in the Southeast and the Salt is present)
	36	х	Are all existing Logs (including any CBL over the disposal interval) are on the OCD Web Site? If logs not there, please send On completion
	37	IIIA.	Are the wellbore diagrams for this well included in the ApplicationBefore Conversion? and After Conversion? Yes. New drill.
	38		Are the top and bottom footage of the proposed disposal interval marked on the "after" diagram? Yes
	39		NOTICE:

Miss	Row	C-108	C-108 disposal application submittals CHECKLIST to ensure all items are supplied or considered.
	40	XIV	Date of the Newspaper Notice in the County: Eddy Co. Artesia Daily Press 06/28/2016
,	41	٧	Within 1/2 mile, did you clearly identify (either on a map or by legal description) all separately owned tracts of lands within the disposal interval? Yes
	42	XIII	Did you identify the owner(s) of each of these separately owned tracts? Yes, in Item XIII Were they all formally noticed? Yes
	43		If reentering a P&Aed well, are there depth divisions of ownership within that wellIf so, have you also noticed all the shallower interests of the intent to use the well for disposal?
	44	XIII	Is the proposed well within the R-111-P defined Potash Area or the BLM Secretaries Potash Area? No If so, did you send notice to the nearest Potash lessee?
	45	XIV	Who owns the surface lands at the disposal well site (BLM, SLO, or who)? VL Water Company Was that party formally noticed? Yes
	46		Area of Review:
	47	V	Did you include a map identifying all wells within 2 miles? Yes
	48	VI	Did you include a list of all AOR wells? Yes Is the list available to be emailed (if requested) in spreadsheet format? Yes - Included in Item VI list
	50	VI	Did you include wellbore diagrams for all P&Aed wells that exist within the 1/2 mile AOR that penetrate the disposal interval? None present
	51	<u>VI</u>	How many wells exist within the 1/2 mile AOR that penetrate the disposal interval? 0 How many of these are Plugged/Dry and Abandoned?
	52	VI	Are details included on cement coverage of the proposed disposal interval for all wells penetrating the disposal interval within 1/2 mile of the proposed well? N/A
	53	VI	Do all reported cement tops describe how that "top" was determined? N/A If you calculated any tops, what fillup efficiency factor did you use?
	54	VI	Did you identify the presence and depth of all Cement Stage Tools (DV) in the subject well and in the AOR wells? Yes
	55	VIII	For the target formation, is there significant formation structural depth changes within the 1/2 mile AOR? No
	56	VIII	Is there any Karst or Massive Limestone in this target formation? Noor in the formations directly above or below? No
	57		Administrative or Hearing:
	58	VI	How many wells within the 1/2 mile AOR currently are producing (or still have open perforations) within the disposal interval? 0 is it "gas" or "oil"?

Miss	Row	C-108	C-108 disposal application submittals… CHECKLIST to ensure all items are supplied or considered.
	59		NOTE: If the proposed disposal interval is a "Gas" interval or if any AOR wells are producing or have open perforations within this interval then this application may not be properly classified as a "disposal". These types of applications must be processed at an examiner hearing.
	60		Any other Issues? No

APPLICATION FOR AUTHORIZATION TO INJECT

I.	PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage Application qualifies for administrative approval? X Yes No										
II.	OPERATOR: Mesquite SWD, Inc										
	ADDRESS: P.O. Box 1478 Carlsbad, NM 88220										
	CONTACT PARTY: Kay Havenor PHONE: 575-626-4518										
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:										
	 Proposed average and maximum daily rate and volume of fluids to be injected; Whether the system is open or closed; Proposed average and maximum injection pressure; Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and, 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 drinkin.										
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: Kay Hayenor TITLE: _Agent										
	SIGNATURE: Kay C Howenor DATE: 6/22/2016										
	E-MAIL ADDRESS: Kay.Havenor@Gmail.com										
•	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.

INJECTION WELL DATA SHEET

OPERATOR: N	Mesquite SWD, Inc.	(OGRID 161968)								
WELL NAME & NUN	MBER: VL SWD #1		30-02	25-NA	(New Drill)					
WELL LOCATION: _	2142' FSL & 249' FEL		14_		28E					
	FOOTAGE LOCATION	UNIT LETTER	SECTION	TOW	NSHIP RAN	IGE				
<u>WE</u>	LLBORE SCHEMATIC		PROPOSED	WELL C Surface	CONSTRUCTION D Casing	<u>ATA</u>				
		Hole Size:	26"		Casing Size: 20"	133# J-55 BTC				
	See attached diagram	Cemented with:	650	sx.	or	ft³				
		Top of Cement:	Surface		_ Method Determin	ed: <u>Circulate</u>				
			<u>In</u>	termediat	te-1 Casing					
		Hole Size:	17-1/2"		Casing Size: 13-3/8	" 68#N-80 LTC				
		Cemented with:	1000	sx.	or	ft ³				
		Top of Cement:	Surface		Method Determine	ed: Circulate				
			<u>Int</u>	termediat	e-2 Casing					
		Hole Size:	121/4"		Casing Size: 95/8"	53.5# L-80 LTC				
		Cemented with:	1800	sx.	or	ft ³				
		Top of Cement:	Surface		Method Determine	ed: Opr				

Hole Size	Casing Size 75/8" 39/42.8# P-110									
Cemented with: 2400 sx.	orft ³									
Top of CementSurface	Method Determined Opr									
Total Depth: Approx 16,300'										
Injection	Injection Interval									
Approximately 15,100 ' To Approximately 16,300'										
(Perforated or Open Hole; indicate which) Open Hole										

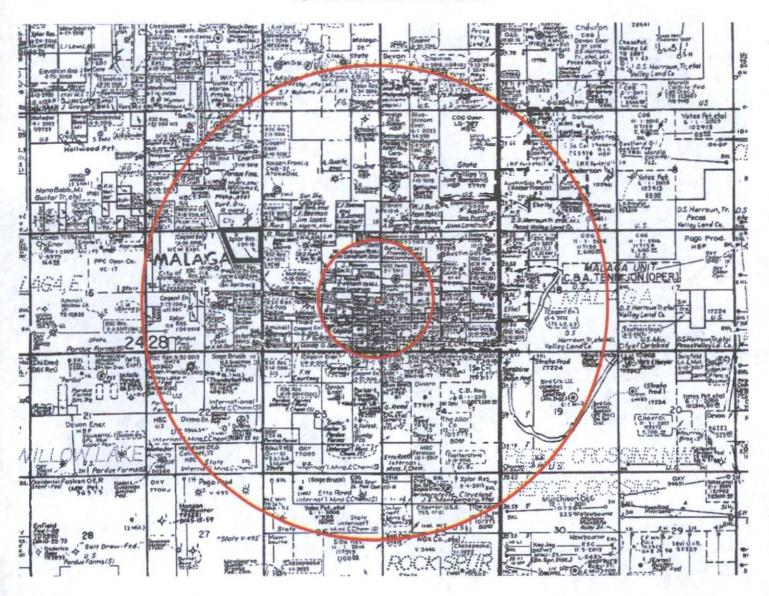
<u>Liner</u>

INJECTION WELL DATA SHEET

Tubing Size: 4-1/2" P110/N-80 Lining Material: Fiberglass coated
Type of Packer: Lok-Set_or equivalent
Packer Setting Depth: Approx 15,100' ft
Other Type of Tubing/Casing Seal (if applicable):
Additional Data
1. Is this a new well drilled for injection? <u>X</u> YesNo
If no, for what purpose was the well originally drilled?
Name of the Injection Formation:Siluro-Devonian
3. Name of Field or Pool (if applicable):
4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. New drill
5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

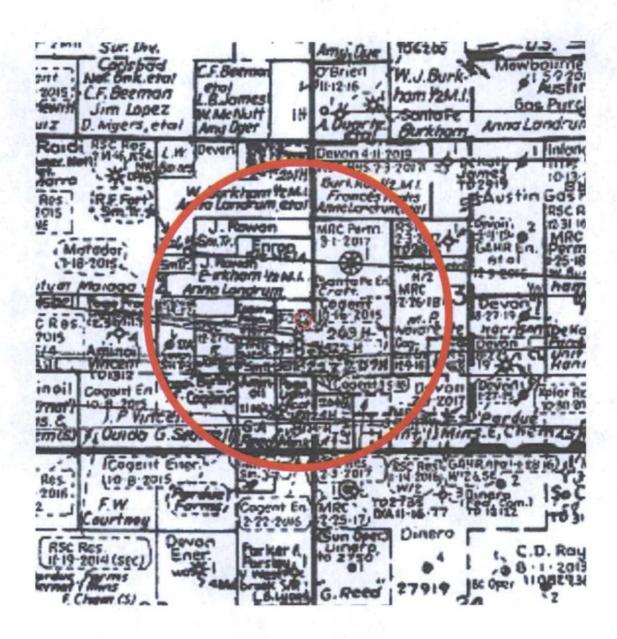
Item V:

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



Item V (a):

AOR Half - Mile



Mesquite SWD, Inc. VL SWD #1

2142' FSL & 249' FEL

Sec. 14, T24S-R28E Eddy County, NM

Item VI: Data on wells in AOR:

API WELL_NAME	STATUS	SDIV	SEC TWN	RANGE	FTG_	NS	FTG	EW	OCD	OPERATOR	WELL	LAND	PLUG_DATE	SPUD	ELEVGL	TVD_DEPTH
3001524129 CRAFT 001	Active	E	13 24.0S	28E	1980	N	660	W	E	DEVON ENERGY PROD CO, LP	G	þ		19-Apr-97	2972	12983
3001502498 LANDRUM & NOUTT 001	Plugged	F	13 24.05	28E	1650	N	2310	W	F	DEKALB AGRICULTURAL ASSOC INC	0	P	9-Jul-52	30-Jun-52	2975	2695
3001529290 Ore Ida 14 Federal 010	Active	K	14 24.0S	28	935	N	1705	E	K	DEVON ENERGY PROD CO, LP	S	P		26-Apr-97	3002	8354
3001524452 LIGHTFOOT 001	TA	J	14 24.05	28E	1780	S	2460	E	j	OXY USA INC	0	P		15-Apr-83	2977	12382
3001525098 LIGHTFOOT 002	Active	p	14 24.05	28E	660	S	660	E	p	OXY USA INC	G	P		19-Dec-84	2979	12820
3001543037 224H	drilled or	р	14 24.0S	28E	445	S	255	E	p	MATADOR PRODUCTION COMPANY	G	P		13-Aug-15	2978	10589
3001543039 124H	drilled or	P	14 24.05	28E	415	S	255	E	P	MATADOR PRODUCTION COMPANY	0	P		15-Aug-15	2 9 78	8449
3001543087 TIGER 14 24S 28E RB 204H	drilled or	P	14 24.0S	28E	475	S	229	E	P	MATADOR PRODUCTION COMPANY	G	Þ		07-May-15	2978	9587

No known wells in the AOR penetrate pre-Permian formations.

Note: TVD in two OXY wells incorrectly include lateral lengths.

Item VII:

- 1. The maximum injected volume anticipated is 25,000 BWPD. Average anticipated is 18,000 BWPD.
- 2. Injection will be through a closed system.
- 3. Maximum injection pressure is expected to be 3,020 psi, or as controlled by depth.
- 4. Sources will be produced water that is compatible with known waters in the disposal zones.
- 5. Water sample analyses from the immediate surrounding Siluro-Devonian area are not known, however, the regional information indicates it is non-productive of hydrocarbons.

Mesquite SWD, Inc. VL SWD #1 2142' FSL & 249' FEL

Sec. 14, T24S-R28E Eddy County, NM

Item VIII:

Disposal will be into the Siluro-Devonian formations above the Montoya Formation.

There is potable water within a 1-mile radius. Records from the New Mexico Office of the State Engineer on June 20, 2016 show 7 known water wells within a 1-mile radius of the proposed Mesquite SWD disposal well. All the wells shown below, are 200' or less from the surface and those intervals will be cased-off and cemented by surface and intermediate casing. Similar depths to potable water are present in the 2-mile radius.

The surface geology of the greater area, including the 2-mile radius as shown in Item V above, is Quaternary eolian and piedmont deposits of Holocene to middle Pleistocene age and Permian Castile Formation. These are underlain by Permian formations and evaporites. Based upon surface geology and available shallow data the depth of potable water is known to be less than 250'.

New Mexico Office of the State Engineer

Wells with Well Log Information

(A CLW#### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)	(R≒POD has been replaced, O≃orphaned, C≃the file is cl⊊sed)		IW 2=NE 3=SW 4=SP are smallest to larges	•	ens)		(in feet)	
POD Number C 02057	POD Sub- Code basin Count C ED			. X Y 588956 3564774*	Distance Start Date 131 04/15/1983	-	opth Depth Well Water Driller 126 52 MURRELL ABBOTT	License Number 46
C 00738	ED	Shallow 3 1 1	13 24S 28E	589673 3565472*	1054 01/15/1957	01/18/1957 02/04/1957	125 12 DONOWHO, JOE	75
C 03132	C ED	Shallow 1 2 4	15 24S 28E	587616 3564877*	1221 11/06/2004	11/07/2004 11/22/2004	90 19	1348
C 02524 POD2	C ED	Shallow 2 2 2	15 24S 28E	587814 3565690*	1336 07/12/1997	07/13/1997 08/25/1997	90 11	1348
C 00346	C ED	Shallow 2.2	15 24S 28E	587715 3565591*	1355 05/25/1952	06/05/1952 01/26/1954	90 32 SMITH, SAM S.	108
C 00574	ED	Shallow 2 4 4	11 24S 28E	589452 3566081*	1393 08/12/1954	08/12/1954 09/10/1954	200 20 W. D. BRININSTOOL	161
C 00903	C ED	Shallow 2 1	13 24S 28E	590178 3565575*	1534 10/01/1959	10/31/1959 01/28/1960	57 30 SMITH, SAM S.	108
Boord County 7	*** 1							

Record Count: 7

UTMNAD83 Radius Search (in meters):

Easting (X): 588837

Northing (Y): 3564830

Radius: 1600

*UTM location was derived from PLSS - see Help

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.

6/20/16 4:57 PM

Page 1 of 1

WELLS WITH WELL LOG INFORMATION

Item IX:

Some acid may be applied after completion. No other formation stimulation is currently planned.

Item X:

Logs will be filed with the OCD upon completion of the well. Density -Neutron is planed from surface to TD.

Item XI:

Please note Item VIII discussion above.

Item XII:

There is no geological evidence of open faults or hydrologic connection between the disposal zone and any possible underground sources of protectable water.

Mesquite SWD, Inc. VL SWD #1 2142' FSL & 249' FEL

Sec. 14, T24S-R28E Eddy County, NM

PROPOSED NEW WELL DIAGRAM

API: 30025xxxx Operator: Mesquite SWD, Inc. VL SWD 2959 est Well No: 1 Lease: KB. Location: Sec 14, T24S-R28E Eddy Co., NM 2964 est GL: Footage: 2242' FSL, 249' FEL Surface Csg Size: 20" 133# J-55 BTC Set @: 850 Buetler est 200' 250 Sxs cmt: 650 Salado est 700' Circ: Yes B/Salt est 2700' TOC: Surf Bell Canyon est 2950' Hole Size: 26" Cherry Cany est 3850' 4400 Intermediate Csg DV @ 4800° Size: 13-3/8" 68# N-80 LTC Set @: Sxs cmt: 1000 Circ: Yes Bone Spgs est 6390' TOC: Surf Hole Size: 17-1/2" Intermediate-2 Csq 9-5/8" 53.5# L-80 LTC Size: Set @: 11650 Sxs cmt: 1800 Yes Circ: Hole Size: 12-1/4" Liner 7-5/8" 39# P-110 Ultra FJ Size: Top 11415 Set @ 14800 Sx cmt 2400 Wolfcamp est 9910' Circ Yes Hole Size: 8-1/2" Open Hole Size 11415 Interval 15000-16200 11650 Hole Size 6-14" 11870 Strawn est 11800' Morrow est 12380' Tubular requirements (made-up): 15.100" 4-1/2" w/0-1990' 13.5# P-110 LTC, 1990'-Dv @ 14000° 4600' 11.6# P-110 LTC, 4600'-9800' 11.6# N-80 LTC, 9800'-12900' 11.6# P-110 LTC, 12900'-15100' Miss Ls est 14450' 13.5# N-80 LTC, all Fiberglass coated. Lok-Set or equivalent approx 15,100' 15100 Top Siluro-Devonian est Open hole acid/stimulation if required. Tubing annulus w/corrosion inhibitor. Complete surface head for disposal Not to Scale

16300

Approx TD



Delorme Xmap 6 1 mile southeast of Malaga, NM.

API 30-025-NA

Mesquite SWD, Inc. VL SWD #1 2142' FSL & 249' FEL Sec. 14, T24S-R28E Eddy County, NM



Google Earth view of VL location area

Item XIII: Proof of Notice

Minerals Owner:

Trustees of the Conquistador Council, Boy Scouts of America, Trust Fund 2603 N. Aspen Ave Roswell, NM 88201

Operators:

Devon Energy Production Company, LP 333 West Sheridan Avenue Oklahoma City, OK 73102-5015

Matador Production Company One Lincoln Centre 5400 LBJ Freeway, Ste 1500 Dallas, TX 75240

OXY USA, Inc P.O. Box 27570 Houston, TX 77277-7570

Surface: Fee:

VL Water Company P.O. Box 1479 Carlsbad, NM 88221

Operator

In Sec 13 & 14, T24S-R28E

Operator

In Sec 14, T24S-R28E

Operator

In Sec 14, T24S-R28E

Item XIII: Legal Publication

Affidavit	of Publ	ication
Alluavii	VI 1 UNI	icativii

No.	23979						
State of New Mexico							
County of Eddy:							
Danny Scott Warns X Care							
being duly s sworn sayes that she is the Publis	her						
of the Artesia Daily Press, a daily newspaper of General							
circulation, published in English at Artesia, said county							
and state, and that the hereto attached							
Legal Ad							
was published in a regular and entire issue of the said							
Artesia Daily Press, a daily newspaper duly qualified							
for that purpose within the meaning of Chapter 167 of							
the 1937 Session Laws of the state of New Mexico for							
Consecutive weeks/day on the same							
day as follows:							
First Publication June 28, 2016							
Second Publication							
Third Publication							
Fourth Publication							
Fifth Publication							
Sixth Publication	· ·						
Subscribed and sworn before me this							
28th day of June	2016						
OFFICIAL SEAL Latisha Romine NOTARY PUBLIC-STATE OF NEW MEXICO My commission expires: 5/12/20/9							
0							

Latisha Romine

Notary Public, Eddy County, New Mexico

Copy of Publication:

LEGAL NOTICE

Mesquite SWD, Inc., c/o Kay Havenor, 904 Moore Ave, Roswell, NM 882011144, (575) 626-4518, is seeking approval from the New Mexico Oil Conservation Division to drill and complete the Mesquite SWD, Inc. VL SWD No. 1 well
API: 30-015- (unassigned), to be located 2142 feet from the south line and 249
feet from the east line of Section 14, T24S, R28E, Eddy County, NM for commercial produced water disposal by drilling to approximately 16,300 feet to
penetrate the Situro-Devonian formation. The site is 1 mile southeast of
Malaga, NM and US 285, Eddy County, NM.

Mesquite SWD, Inc. plans to dispose of a maximum of 25,000 BWPD with a disposal interval in the Siluro-Devonian formation through open-hole approxi-mately 15,100 to 16,300 with maximum pressure of 3,020 psl.

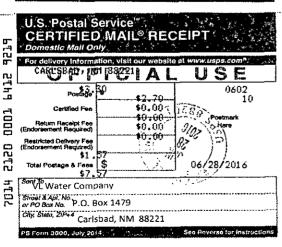
Parties with questions regarding this proposal may contact Kay Havenor at the address or phone number above.

Interested parties must file objections or requests for hearing within 15 days of publication to the Oil Conservation Division: 1220 South St. Francis Dr., Santa Fe, NM 87505.

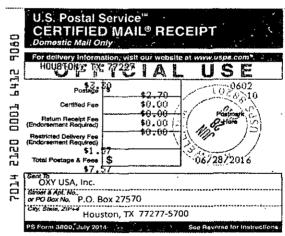
Published in the Artesia Daily Press, Artesia, N.M., June 28, 2016 Legal No. 23979.

Item XIII: Certified Mail Receipts











Product Tracking & Reporting

Home Search Reports

USPS Tracking Intranet

Delivery Signature and Address



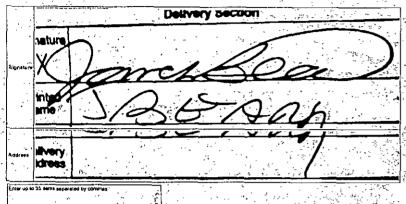
Container ID Searches

Do not use the container ID search Do not share the search results externally. The corepeated or belong to another container. To view container events, use the tracking nutcket. A fix is in progress.

Tracking Number: 7014 2120 0001 8412 9080

This item was delivered on 97/06/2016 at 06:02:00

≤ Return to Tracsing Number View



https://pts-2.usps.gov/pts2-web/tcIntranctTrackingNumResponse/deliverySignatureAndAd... 7/12/2016

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, and 3, an	A Signiture ☐ Agent ☐ Addressee
Attach this card to the back of the mallplece, or on the front if space permits.	B. Received by (Printed Name) C. Date of Delivery.
1. Article Addressed to: Matador-Production Company	D. is delivery address different from item 1? Yes if YES, enter delivery address below: No
One Lincoln Centre Dallas, TX 75240 5400 LBJ Freeway	
Str /500	3. Service Type □ Priority Mail Express® □ Adult Signature □ Registered Mail™ □ Registered Mail Restricted Delivery □ Certified Mail® □ Certified Mail®
9590 9402 1491 5329 4275 31 2: Article Number (Transfer from service label)	☐ Certified Mail Restricted Delivery ☐ Return Receipt for ☐ Collect on Delivery ☐ Collect on Delivery ☐ Signature Confirmation ☐ Insured Mail Restricted Delivery ☐ Signature Confirmation ☐ Insured Mail Restricted Delivery ☐ Restricted Delivery ☐ Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Restricted Delivery ☐ Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Restricted Delive
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt

C-108 Review Checklist: R	eceived 1/8/20 /4 Add. Requ	ıest: 1/2	4/20/6 Reply Date:	Suspended:[\	Ver 15]
ORDER TYPE: WFX/PMX/SWD No	umber: Orde	r Date:	Legacy Permi	its/Orders:	_
Well No. Well Name(s): VLS	ais				
API: 30-0 15 - Pending Spud Date 21425 - Johnson	te: 736	New or Old:	(UIC Class II	Primacy 03/07/1982)	
Footages 244 FE Lot_	or Unit Sec /4	_Tsp 2 _	<u> </u>	County Eddy	_
General Location: 2 1mile 55/4	Pool: 5	سهن چزد	upi 4- Devon	Pool No.: 47866	_
General Location: 2 1 mile 5 5 mm BLM 100K Map: CArlsbAd Operator: 6 c	ESSAIT C	OGRID	: <i>/_/S6/</i> /Conta	ct: HAVCLON'S	<u>s end</u>
COMPLIANCE RULE 5.9: Total Wells: 14 Inactiv	re: Z Fincl Assur:	✓ Compt	. Order? <u>////</u> IS	5.9 OK? Date:	<u>\$</u> 24
WELL FILE REVIEWED Current Status:	posed	<i>'</i>			
WELL DIAGRAMS: NEW: Proposed Or RE-ENTER:	Before Conv. After C	onv. 🔵 l	ogs in Imaging:	·	
Planned Rehab Work to Welt:	norn+0	SULF	-ale,		
Well Construction Details Sizes (in) Sizes (in) Sizes (in)	Setting Depths (ft)		Cement Syor Cf	Cement Top and Determi Method	ination
Planned _or Existing _Surface 24/20	850	Stage Tool	650	SufficielVis	4a/
Planned_or Existing _ Interm/Prod / 1338	4 400		1000	SurFuelui	5421
Planned_or Existing _Interm/Prod 124/6 4/4	11650		1800	SUFFERE VI	544/
Planned_or Existing _ Prod/(iner) & 2/75/8	<u>1.4800</u>	1400	2400	11415/400-6	
Planned_or Existing Liner					
Planned_or Existing_OH) PERF 15/00 / Laso		Inj Length الاعدا	<u>Complet</u>	ion/Operation Details:	
Injection Lithostratigraphic Units: Depths (ft)	Injection or Confining Units	Tops	Drilled TD	W PBTD	
Adjacent Unit: Litho. Struc. Por.	DV	15NU	NEW TD	_ NEW PBTD	
Confining Unit: Litho. Struc. Por.	A. &	14450	NEW Open Hole	or NEW Perfs 🔘	
Proposed Inj Interval TOP:			Tubing Size 42	in. Inter Coated?	
Proposed Inj Interval BOTTOM:			Proposed Packer D	epth _ <i>/\$ /a</i> /_ ft	
Confining Unit: Litho. Struc. Por.				/5000 (100-ft limit)	
Adjacent Unit: Litho. Struc. Por.				race Press. 3020 psi	
AOR: Hydrologic and Geologic Interpretation POTASH: R-111-PLA Noticed? BLM Sec Ord		C-IMC+		(0.2 psi per ft)	
FRESH WATER: Aquifer 69 Guternan	_			<u>NW</u> : Cliff House fm	
	/	•		,	·
NMOSE Basin: CAPLSBAD CAPITAN REEF:	Burkelin A	_		? FW Analysis	
Disposal Fluid: Formation Source(s)	Analysis	?	On Lease O Operat	tor Only 🔘 or Commercial (3
Disposal Int: Inject Rate (Avg/Max BWRD):	Frotectable Water	s? M// S	ource:	System: Closed or Open	
HC Potential: Producing Interval? MFormerly Pro	oducing?Method:	_ogs/DST/P	&A/Other	_ 2-Mile Radius Pool Map (
AOR Wells: 1/2-M Radius Map? Well List?_	Total No. Wells P	enetráting li	nterval:	Horizontals?	,
Penetrating Wells: No. Active Wells Whum Repairs	s?on which well(s)?_	, i		Diagrams?	
Penetrating Wells: No. P&A Wells Num Repairs?	on which well(s)?			Diagrams?	
NOTICE: Newspaper Date 6-18-10 Mineral					
RULE 26.7(A): Identified Tracts?Affected Pers Order Conditions: Issues:	sons: <u>Dewny wa</u>	Hido	70×4	N. Date	
Order Conditions: Issues: <u>とー</u> に ーレ	from bo	Hom	cinen- Th	2	
Add Order Cond:		 			
nad Order Collu.		,			



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

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a

water right file.)

(R≈POD has been replaced, O=orphaned,

C=the file is closed)

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

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

(In feet)

POD Number	Code	POD Sub- basin	County	146017	Q (16	200 00 1 10000	Tws	Rng	i v				Water Column
C 00329		С	ED	2	1 2	13	248	28E	590682	3565677*	95	30	65
C 00346		С	ED		2 2	15	245	28E	587715	3565591* 🚳	90	32	58
C 00353	C	С	ED		3 4	13	248	28E	590603	3564367* 🚨	2726		•
C 00354	C	С	ED		4 4	13	248	28E	591005	3564367*	2739		
C 00464			ED	2	2 1	13	24\$	28E	590277	3565674*	111	28	83
C 00488		С	ED	2	1 2	15	24\$	28E	587412	3565688* 餐	64	8	56
C 00684		•	ED	2	1 2	13	248	28E	590682	3565677* 🚳	95	40	55
C 00738			ED	3	1 1	13	24\$	28E	589673	3565472* 🔯	125	12	113
C 00750			ED	1	2 4	13	24S	28E	590898	3564871*	110		
C 00903		С	ED		2 1	13	248	28E	590178	3565575* 🥳	57	30	27
C 01154		С	ED	2	1 2	13	248	28E	590682	3565677* 📳	95	50	45
C 02057		С	EĎ		1 4	14	248	28E	588956	3564774* 🚜	126	52	74
C 02244		С	LE	3	1 2	2 22	24\$	28E	587224	3563865* 🐔	260		
C 02524 POD2		С	ED	2	2 2	15	24\$	28E	587814	3565690*	90	11	79
C 03132		С	ED	1	2 4	15	24S	28E	587616	3564877* 🚑	90	19	71

Average Depth to Water:

28 feet

Minimum Depth:

8 feet

Maximum Depth:

52 feet

Record Count: 15

PLSS Search:

Section(s): 13-15, 22-24

Township: 24S

Range: 28E

*UTM location was derived from PLSS - see Help

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.

wellname	api	section	township	range	unit	ftgns	ftgew	formation	depth	ph	chloride_mgL
GAINES 21 #001	3001528638	21	245	29E	0	9908	1650E	BONE SPRING	7850	8.48	62858.2
ORE IDA 14 FEDERAL #001	3001528956	14	248	29E	D	660N	480W			6.38	108467
H B 11 FEDERAL #002	3001529248	11	245	29E	Ł	1650\$	400W			6.55	109207
ORE IDA 14 FEDERAL #008	3001529277	14	245	29E	0	760S	1830E			6.36	106304
ORE IDA 14 FEDERAL #010	3001529290	14	245	29E	1	17805	860E			6.19	115827
HB 2 STATE #002	3001532514	2	245	29E	E	2030N	585W			6.57	104737
H B 11 FEDERAL #007	3001532606	11	24S	29E	K	25505	1600W			6.51	103070
H B 2 STATE #004	3001532821	2	245	29E	N	860S	1780W			6.68	106966
H B 2 STATE #005	3001532943	2	24S	29E	K	19805	1980W			6.69	104779
H B 2 STATE #006	3001532944	2	245	29E	F	1980N	1980W			6.57	105144
DOUBLE DALE FEE COM #001	3001535539	6	24\$	29E	1	1600S	660E			7.2	31304
H B 11 FEDERAL #003	3001529249	11	245	29E	N	8505	2100W			6.8	118370
ORE IDA 14 FEDERAL #009	3001529278	14	245	29E	P	5605	760E			6.9	114942
H B 11 FEDERAL #008H	3001537900	11	24\$	29E	В	330N	1650E	AVALON UPPER		6.8	114114
H B STATE #001	3001525653	2	245	29E	E	1980N	660W			6.9	14600
H B 2 STATE #008	3001538297	2	24\$	29E	Α	1140N	700E			6.7	14898
ORE IDA 14 FEDERAL #010	3001529290	14	245	29E	1	17805	860E			7	140200
ORE IDA 14 FEDERAL #010	3001529290	14	245	29E	1	1780S	860E			7	154655
ORE IDA 14 FEDERAL #001	3001528956	14	245	29E	D	660N	480W			7.02	116423
ORE IDA 14 FEDERAL #004	3001528963	14	245	29E	C	660N	1650W			6.12	157996
ORE IDA 14 FEDERAL #008	3001529277	14	245	29E	0	760S	1830E			6.3	104019.6
ORE IDA 14 FEDERAL #012	3001529291	14	245	29E	K	18805	2480W			6.3	112138.7
ORE IDA 14 FEDERAL #007	3001529306	14	245	29E	J	21805	1780E			6.1	112313
ORE IDA 14 FEDERAL #013	3001529417	14	245	29E	N	660S	1980W			6	112366.7
H B 11 FEDERAL #002	3001529248	11	245	29E	L	1650S	400W			7.1	112725
HB 2 STATE #002	3001532514	2	245	29E	Ε	2030N	585W			7.7	109265
H B 11 FEDERAL #005	3001532741	11	245	29E	c	330N	1750W			6	59222
ORE IDA 14 FEDERAL #010	3001529290	14	245	29E	1	1780S	860E			5.2	146451
KNOLL AOK FEDERAL #001	3001528127	3	245	29E	G	1980N	1980E	BONE SPRING		6.15	84981
CORRAL DRAW AQH FEDERAI	L 3001529396	13	245	29E	L	2310S	330W	BONE SPRING		5.59	164963
ORE IDA 14 FEDERAL #002	3001528930	14	245	29E	Ε	1980N	330W			7	170994
H B 11 FEDERAL #008H	3001537900	11	245	29E	В	330N	1650E	AVALON UPPER		7	104800
GUY A REED #001	3001510872	24	245	28E	E	1980N	660W	DELAWARE		6.1	78600
MALAGA UNIT #001	3001502494	13	245	28E	В	330N	1650E	DELAWARE			91050
FED #001	3001502504	24	245	28E	Α	330N	990E				78580

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McMillan, Michael, EMNRD

From: Kay Havenor <kay.havenor@gmail.com>

Sent:Tuesday, July 26, 2016 8:12 AMTo:McMillan, Michael, EMNRD

Subject: Mesquite - VL

I have been unable to obtain specific examples of TDS within a reasonable radius of the proposed Mesquite VL. Throughout southeastern Eddy and southwestern Lea counties the Bone Springs and Wolfcamp formations have TDS's of produced waters of 70,000 +- ppm Cl. Devonian waters in this region are far from potable but known to accept Permian waters with no problems.

Kay C. Havenor