

Rose-Coss, Dylan H, EMNRD

From: Ramona Hovey <ramona@lonquist.com>
Sent: Wednesday, May 25, 2022 9:48 AM
To: Engineer, OCD, EMNRD; Goetze, Phillip, EMNRD; McClure, Dean, EMNRD; Rose-Coss, Dylan H, EMNRD
Cc: McMillan, Michael A.; Will George; Steve Pattee
Subject: [EXTERNAL] Beaza SWD #1 - Order No. 4-21441 Compliance
Attachments: Final_7240_MES_Bruington_Beaza SWD 001_5-Inch.pdf; MILESTONE_BAEZA #1_COMPOSITE.PDF; N-S Structural Cross Section 5-5-22.pdf; Cherry Canyon Structure Map 5-5-22 update.pdf; Bell Canyon Structure Map 5-5-22 update.pdf

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Per the conditions of Order No. 4-21441 as shown below for Milestone's Beaza SWD #1 well, we are submitting the following:

- Mudlog, 5"
- Geophysical Log
- Updated Cross Section
- Updated structure maps

The tops of the formations encountered are as follows:

- Lamar – 5,500'
- Bell Canyon – 5,531'
- Cherry Canyon – 6,519'

Please let us know if you have any questions regarding the data provided.

From Order 4-2144:

(6) The Operator shall complete a mudlog and geophysical logging (Triple Combo suite) over the permitted disposal interval sufficient to demonstrate the hydrocarbon potential. The Operator shall notify the OCD's District office and the Santa Fe Engineering Bureau of significant hydrocarbon shows that are observed during drilling of the permitted injection interval. Prior to commencing disposal, the Operator shall submit the mudlog and geophysical logs information to the OCD's District geologist, the NMSLO and the Santa Fe Engineering Bureau, showing evidence agreeable that only the permitted formation is open for disposal including a summary of depths (picks) for contacts of the formations which the OCD shall use to amend this order for a final description of the depth for the injection interval and any corresponding change in the wellhead injection pressure.

(7) Within a year after commencing injection, the Operator shall compile and submit an updated version of the cross section initially submitted as Milestone's Exhibit 10. The revised cross section shall include the subsurface information obtained from geophysical and mudlog results to correlate formation tops and confining layers of the permitted injection interval for the subject well and offsetting wells. A copy of this interpretation shall be provided electronically to the Santa Fe Engineering Bureau e-mail address and to the NMSLO office in Santa Fe.

Regards,

Ramona Hovey
Principal Engineer

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