

From: Jones, William V, EMNRD

Sent: Wednesday, February 25, 2015 11:16 AM

To: 'KikiL@T5Energy.com'

Cc: Sanchez, Daniel J., EMNRD; Brown, Maxey G, EMNRD; Kautz, Paul, EMNRD; Herrmann,

Keith, EMNRD; Wade, Gabriel, EMNRD; 'Martinez, Pete'; 'bweatherford@blm.gov';

'dglass@blm.gov'; Goetze, Phillip, EMNRD; McMillan, Michael, EMNRD

Subject: Tandem Operating; South Lucky Lake Queen Unit in Chaves County

Hello Ms. Lockett;

Looks like these injection wells were all permitted under R-8140-A in Case No. 8840.

http://ocdimage.emnrd.state.nm.us/imaging/CaseFileView.aspx?CaseNo=8840&FilingDate=9/10/1986%2012:00:00%20 AM

The Pool is the South Lucky Lake Queen Pool - See R-4435 for Special Pool Rules.

I just looked and since injection was not reported for any of these wells during 2014, therefore under Rule 26, this waterflood project is no longer permitted – R-8140-A has gone away.

Please confirm this with Maxey Brown or Paul Kautz of the Hobbs OCD.

The Federal-State-Fee Unit was setup only for purposes of waterflooding, so that Unit should also terminate if the waterflood is no longer.

The status of this South Lucky Lake Queen Unit should be clarified with the BLM in Roswell and the State Land Office in Santa Fe before Tandem comes back to hearing to re-instate the waterflood.

http://ocdimage.emnrd.state.nm.us/Imaging/FileStore/santafeadmin/cf/ada-03-

00560%20case%20files%20part%208/ada-03-00560%2000001-10000/08840 04020.pdf

Whether the Unit is still in effect or not, it will take another Examiner Hearing at the OCD to permit resumption of waterflood operations in this area.

If this is what you intend to do, please have your attorney contact Florene Davidson of this office.

Regards,



William V. Jones, P.E., District IV Supervisor

Oil Conservation Division http://www.emnrd.state.nm.us/ocd/1220 South St. Francis Drive, Santa Fe, NM 87505

P: 505.476.3477 C: 505.419.1995

----Original Message-----

From: Kiki Lockett [mailto:KikiL@T5Energy.com]



From:

Kiki Lockett < KikiL@T5Energy.com>

Sent:

Tuesday, February 24, 2015 2:38 PM

To:

Jones, William V, EMNRD

Subject:

Injection Wells

Hey Will,

I couldn't find a copy of the Injection Permit on these wells....They may be too old. Can you send me an example of one?

These are the wells that have lost their injection authority on 7/01/2014.

 South Lucky Lake Queen 001A
 30-005-60332

 South Lucky Lake Queen 001A
 30-005-60213

 South Lucky Lake Queen 001E
 30-005-61227

 South Lucky Lake Queen 001F
 30-005-60244

 South Lucky Lake Queen 001a
 30-005-60244

www.T5Energy.com Thanks,

L. Kiki Lockett Regulatory Specialist Triple Five Energy Resources LLC Galleria Tower I

2700 Post Oak Blvd | Suite 1000 | Houston, Texas 77056 P 713.987.7326 | F 713.364.7820 KikiL@T5Energy.com

EXIBIT "A" Case No. 8840 · Order No. R-8140-A

SOUTH LUCKY LAKE QUEEN UNIT WATERFLOOD PROJECT INJECTION WELLS

	Tract and Well Numbers	Locations
~	Tract 1-Well No. 1	1980' FNL - 330' FWL (Unit E) - FF. Sec. 27
	Tract 2-Well No. 1	2310' FSL - 330' FWL (Unit L)
~ \	Tract 2-Well No. 4	990' FSL - 1477' FWL (Unit N) - 5 - 7 A Sec. 22
all 0 in 14	Tract 3-Well No. 1	2310' FNL - 1650' FWL (Unit F) 60213 Sec. 22
all oin 14	Tract 4-Well No. 1	1980' FNL - 660' FEL (Unit H) 60244 Sec. 21
all o in 14	Tract 5-Well No. 1	330' FS & WL (Unit M) Sec. 15 6 1227
all 0 in 14	Tract 7-Well No. 1	660' FSL - 1980' PEL (Unit 0) 60332 Sec. 16.

All wells located in Township 15 South, Range 29 East, NMPM, Chaves County, New Mexico.

- 33 -

- 32 -

- 31-

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11/14/88 R-8140-A Care 8840

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South Livery EPP R-4435 Loke Quen Post NSL-650

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