		· - · · OC	D-HO	BBS	<b>OCD</b> HOBBS		
	UNITED STAT EPARTMENT OF THE JREAU OF LAND MAN	INTERIOR		FORM APPROVED OMB No. 1004-0137 Expires: October 31, 2014 5. Lease Serial No.			
SUNDR Do not use thi	( NOTICES AND REP s form for proposals			LC-032096B 6. If Indian, Allottee of	or Tribe Name		
1. Type of Well	MIT IN TRIPLICATE – Other Is Well ☑ Other In	ALIGO	5 2014	7. If Unit of CA/Agre EBDU 8. Well Name and No East Blinebry Drink			
2. Name of Operator Apache Corporation (873)		REC	eived	9. API Well No. 30-025-06480	~		
3a. Address 303 Veterans Airpark Lane, Suite 1000 Midland, TX 79705		<ul><li>3b. Phone No. <i>(include area co</i></li><li>432/818-1062</li></ul>	de)	10. Field and Pool or Exploratory Area Eunice; B-T-D, North (22900)			
4. Location of Well <i>(Footage, Sec.)</i> 1980' FNL & 330' FEL ULH Sec 11 T21S		n)		11. County or Parish, Lea County, NM	, State		
12. CI	IECK THE APPROPRIATE B	OX(ES) TO INDICATE NATUR	E OF NOTIO	CE, REPORT OR OTH	HER DATA		
TYPE OF SUBMISSION		ТҮ	PE OF ACT	ION			
✓ Notice of Intent	Acidize	Deepen Fracture Treat	=	uction (Start/Resume) amation	Water Shut-Off Well Integrity		
Subsequent Report .	Casing Repair	New Construction Plug and Abandon	=	omplete porarily Abandon	Other		
Final Abandonment Notice	Convert to Injection	Piug Back	Wate	er Disposal			
the proposal is to deepen direc Attach the Bond under which t following completion of the in	ionally or recomplete horizonta he work will be performed or p volved operations. If the opera	ally, give subsurface locations and rovide the Bond No. on file with I tion results in a multiple completion	measured an BLM/BIA. Fon or recomp	nd true vertical depths Required subsequent re sletion in a new interva	ork and approximate duration thereof. I of all pertinent markers and zones. eports must be filed within 30 days al, a Form 3160-4 must be filed once en completed and the operator has		

determined that the site is ready for final inspection.)

It has been brought to our attention that BLM NOI's were not done at the time Injection Permits were acquired from the OCD 5/14/2013. Apache intended to convert this well to injection, per the attached procedure.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)					4. 2. 5		
Reesa Fisher	Title	Sr. Staff Reg Analyst	-		· · · ·		
Signature Reesa Jisha	Date	03/19/2014	ACC	EPTE	) FOR R	FCORD	]
THIS SPACE FOR FEDE	RAL	OR STATE OFFIC	E USE	[			;
Approved by						· ·	$\uparrow$
		Title		Hate	30 2014		Í_
Conditions of approval, if any, are attached. Approval of this notice does not warrant or of that the applicant holds legal or equitable title to those rights in the subject lease which we will be a subject lease which we	Office		fk	ward			
entitle the applicant to conduct operations thereon.					AND MANA		<u>+</u>
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any p fictitious or fraudulent statements or representations as to any matter within its jurisdiction	erson k on.	nowingly and willfully to m	ake to any d	CARLSBA	D FIELD OF	FICE	false,
(Instructions on page 2) WIB/OCA	8/:	5/2014	A	UG O£	3 2014	,	ـــــــــــــــــــــــــــــــــــــ
	-	*					th

Ν

# EBDU #19

## 1,980' FNL & 330' FEL, Unit H, Sec 11, T-21-S, R-37-E Lea County, New Mexico

### **Convert to Injection**

Prod Csg:	5-1/2", 15.5 <sup>#</sup> , J-55 csg @ 5,920'. Cmt'd w/425 sx cmt. TOC @ 2,763' by
	TS.
	Yield @ 90% = 4,329 psig. Cap = 0.9997 gal/ft = 0.0238 bbl/ft. 4", 9 <sup>#</sup> , J-55 csg fr/5,893' - 6,774'. Cmt'd w/40 sx Class "C" cmt.
Cag Liner:	4", 9 <sup>#</sup> , J-55 csg fr/5,893' – 6,774'. Cmt'd w/40 sx Class "C" cmt.
<b>D</b>	
Perfs:	<b>BL:</b> 5,709' – 5,901' w/4 JSPF (568 holes, 4/56, sqz'd).

Perfs: **BL:** 5,709' – 5,901' w/4 JSPF (568 holes, 4/56, sqz'd). **BL:** 5,733' – 6,074' w/1 JSPF (19 holes, 1/65). **DK:** 6,601' – 6,733' w/1 JSPF (18 holes, 1/65).

- 1. MI & set clean 500 bbl frac tank. Set 1 flowback tank. MIRU PU. Blow down well. POH & LD rods & pmp. ND WH. NU BOP. POH & LD prod tbg.
- 2. MI 6,000', 2-7/8", 6.5<sup>#</sup> tbg & 1,000', 2-1/16". TIH w/bit, csg scraper & 2-7/8" tbg to TOL @ ~5,893'. POH w/tbg, csg scraper & bit.
- 3. TIH w/pkr & tbg to ~5,600' & set pkr. Load hole & press tst csg to 500 psig for 30". Results will determine the next course of action. The remainder of this procedure assumes the casing pressure tested.
- 4. POH w/tbg & pkr. MIRU AFU. TIH w/bit, 2-1/16" tbg & 2-7/8" tbg. CO to PBTD assumed to be around 6,752'. POH w/tbg strings & bit.
- 5. MIRU WL trk. Set CIBP @ ~6,200'. Set RBP @ ~5,600'. Load the hole w/water. Run GR/CCL/Radial CBL fr/RBP - surf. Correlate w/Welex Jet Services Radioactive log date 4/26/56.
- 6. Perf additional Blinebry fr/5,706' 5,750', 5,790' 5,820', 5,850' 5,890' & 5,966' 6,010' w/1 JSPF (162 holes, 60° phasing). NOTE: smaller gun will be needed for the bottom set of perfs due to 4'' liner. RDMO WL trk.
- 7. TIH w/pkr & WS. Set pkr @ ~5,610'. EIR w/wtr. Acidize BL perfs 5,706' 6,074' w/10,000 gals of 15% HCl acid & 15,000<sup>#</sup> GRS @ 6-8 BPM. Max TP 5,000 psig. Flush w/43 bbls 2% KCl wtr. SWI 2 hrs.
- 8. POH w/WS & pkr. TIH w/2-1/16" & 2-7/8" WS to CO salt to PBTD. POH w/WS. LD 2-1/16" tbg.
- 9. TIH w/inj pkr w/profile nipple & on/off tool. Set pkr @ ~5,600'. Rel off pkr & circ hole clean. Press tst pkr & csg to 500 psig for 30".
- 10. POH w/WS & LD. TIH w/inj string & circ hole w/pkr fluid. Latch onto pkr.
- 11. ND BOP. NU inj WH. Hook up to injection system & start injecting.

Apache Corporation			0.D.	Grade	Wt C	Depth 1	гос		<u>                                      </u>
o. Rep		- Surf							
Vell Name		- Oun	10-3/4"	H-40	32.75#	266'	Surf	1	TOUL OF ANT A 230 FEI LINT U SOULT TOLS P 27 F L O CH. NM
ield	Eunice Area (EBDU)	- Inter							Loc: 1.980'FNL & 330'FEL, Unit H, Sec 11, F-21-S, R-37-E, Lea Cty, NM
County	Lea	Inter	7-5/8"	H-40	24# 2	2,955' 5	Surf		Field/Fmt: North Eunice/Blinebry Drinkard
tate	New Mexico	- Prod							<u>KB:</u> β,456' <u>GL:</u> β,445' <u>KB corr:</u> 11'
	2/8/2013		5-1/2"	J-55	15.5# 5	5,920' 2,	,763'		API #: 30-025-06480 Fed Lease: LC-032096-B
L	3,445'	- Liner							Spud Date: 04/04/56 Comp Date: 05/03/56
B corr			4"		9# 6	5,774' 5,	918'		<u>IPP.</u> BL: F. 71 BO, 0 BW, 41 MCF, 13 hrs. (1956)
									DR. P. 80 BO, 17 BW, 78 MCFD, 24 hrs. (1965)
	╢━┨╾┽╼┥╼┨╌┾╼┨╼║╵║╷╞╌┼╾┼╾┿╌┼╌┽	4-4-4-4	<u> </u>			44			<b>Perfs:</b> BL: $5,709 + 5,901 \text{ w/4 JSRF} (568 \text{ holes, sqz'd}).$
/4"	TOC @ surf	i				+			
e	┫╾┨╾┽╾╽╼╽╼┼╼╏╼╠┊╠┊┝╌╞╶┼╾┿╍┽╼┼╌┼╴┼					+			BL: 5,733' - 6,074' w/1 JSPF (19 holes).
	┉╹━╹━┼━╹┝╾╹┝╍┼━┼━┼━┼━┼━┼━┼━┼				111		┉╧┈╣		- $        -$
		Depth			scription				╪╪╪╪╪╪╪╧╧╧╧
	TOC @ suff		Drille	ed as the	Lockhar	t B-11 #1	0		HISTORY:
3"	╢╼┠╼┽╼╿╼╢╶╬╾┨╾║ <sub>┇</sub> ┊┠╾╪╾┽╍┿╾┿╍┿╾┿	5,918'	(5,709'-	5,901') Sqz I	BL perfs w <i>l</i> o of Liner	100 sx clas	<u>s "C"</u>		04/03/56: Spudded 13-3/4" hole as the Lockhart B-11 #10 by Continental Oil Compa
e	╢╼┨╾┽╍╎╼╷╴┽╾┨╌╟┊╵╴┼╍┼╌┼╌┽╴┽╸┽╸┽╸┼╸┼	- 5,910		10	o or Liner		<b></b>		04/04/56: Set 10-3/4', 52.75"; H-40 csg ( $a$ , 266'). Cmt'd w/250 sx cmt. Circ cmt to su
	TOC @ 2,763'							-+	04/09/56: Set 7-5/8", 22.75 ; 11-40 csg @ 2,955'. Cmt'd w/1,646 sx cmt. Circ cmt to su
<b>`</b> ∕			· <u> </u>		·	·	[		$\frac{1}{100}$ $\frac{100}{100}$ $$
<b>7</b> 2	╣┊╢╾┾╍╎╌┼╍╢╢╩┛╌╓╌┾╴┼╴┼╴┼╴┼							<del></del>	$\frac{04/25/56}{04/26/56}$ TD @ 5,925 Set 5-1/2", 15.5 <sup>#</sup> , 1-55 esg @ 5,920'. Cmt'd w/425 sx cmt. 
					-	·			
<u> </u>									04/27/56: Acidized 5,8511 - 5,901" w/1,000 gals 20% LSTNE acid. Frac w/6,000
		<u>⊢⊢–</u>		111					catrying 6,000 <sup>#</sup> sd!
					111				04/29/56: Set BP @ 5,858' Perf Blinebry fr/5,780' - 5,826' w/4 JSPF (184 h
									A sidize w/1 000 cold 20% I STNE Pec'd oil & soid load along w/2 bh
									Acidize w/1,000 gals 20% LSTNE. Rec'd oil & acid load along w/84 bbls oil Frac w/6,000 gals carrying 6,000 <sup>#</sup> sd. Set BP @ 5,766'. Perf Blin
									oii: Frac W/o,000 gais carrying 6,000 sa. Set BP @ 5,760. Peri Bin
8"	<u> </u>		$\rightarrow$			<u>                                      </u>			T : $T$ :
e	┨╦╢━┽╼┠╾┝╾╋╸╠╶╢╾┽╼┝╌┼╾╪╌┼╴┼╴┼╴┼								Drilled plugs to $5,920^{\circ}$ -01/08/65: Sq2-Blinebry-perfs $5,709$ $-5,901$ w/100 sx class "C" cmt. DO cmt. Pr
						╘┼╌┼╴┼			$+$ <u>01/08/65</u> ; Sqz-Blinebry perfs 5,709 - 5,901 $+$ $\frac{1}{2}$ ,901 $+$ $\frac{1}{2}$ ,00 sx class "C" cmt. DO cmt. Pr
	┥╢╾┽╾╽╌╎╌┽╴╢╷╢╾┽╌┽╴┼╌╧╌╧╌┾╌┝╌┾	- <del> </del>	+++				!		deepen hole.
	┥╶╢╾┽╼┨╾╎┯┽╼┫┊╎╾┽╌┽╾╎╌┊╾┽╾┽╸┽╴┼╴┼		┥─┾╴┼	_ <u>{</u>		+			01/16/65: TD @ 6,775'. Loaded hole w/wtr: Ran GR Sonic. Set 4" liner @ 6,774'
<u> </u>	┥ <b>┊╢╾┊╌</b> ╢╌╽╼┿╼╢╵┧╌╈╍╁╶┿╍╧╌╅╴╪╍┿		+++						sx class <u>'C'' cmt. Baash Ross hanger</u> set @ 5,893'. Displaced wtr
			111				1		
				111					01/19/65: Ran GR Neutron log. Perf Drinkard fr/6,738' – 6,744' w/1 JSPF (6 h
	<u>↓</u> <sup>™</sup> <u>↓</u>				<u> </u>	┶┷╧			Rec'd 48 BLO, 0 BW, 10 hrs. Swb'd dry.
							<u> </u>		01/20/65: Acidize fr/6,738'-6,744' w/500 gals I STNE. AIR 0.5 BPM. SIP 3,000
<u> </u>	BL: 5,709' - 5,901' w/4 JSF	101 896) 1				<u> </u>			
	5,733' - 6,074' w/1 JSPI	(15 holos)				┝┼╍┼╍┼	+		01/21/65: Perf Drinkard fr/6;601', 20', 26', 38', 58', 60', 88', 94', 6,704', 18', 26', 33'
		(10 110103)				$\left  \right\rangle$	$\neg$		$\frac{1}{1}$ $\frac{1}$
									01/22/65: Acidize 6.601 - 6.744' w/6.000 gals LSTNE & 14 BS. AIR 4.5 BPM
; , 1									3,800 psig. Swb-100 BLO, 200 BNO, 139 BAW, 20 hrs. Set pkr @ 6,400
	DR: 6,601 - 6,744' w/1 JSP	F (18 holes	5).	. i					<u>01/27/65:</u> Ran Baken FA pkr to 6,500', Set RBP @ 6,400'.
							4		01/28/65: Perf Blinebry fr/5,733', 48', 54', 60', 79', 89', 5,806', 16', 21', 45', 52', 64'
				_	_,,		<u> </u>		5,965', 82', 95', 6,013', 55' & 74' w/1 JSPF (19 holes). Acidize 5,733' – 6
	TD @ 6,775'				- <u>+</u>	<u> </u>			w/6,000 gals 15% acid & 20 BS. AIR 5.3 BMP. SIP 1,200 psig. Swb'c
					احد ز در ا				BIO, 40 BNO, 65 BAW, 14 hrs
1 I I		<u>.   : :  </u>						- (	

- <u>01/29/65:</u> Set pkr to 5,890'. Perfs 5,733' 5,878' went on vac. Ppd into perfs 5,965' 6,074' @ 100 psig. POH w/pkr. Ran 4" pkr to 6,309'. Pressured up against BP to 1,000 psig, ok. Moved pkr to 5,915'. Swb perfs 5,965' 6,074' & rec'd 45 BLO. Swb'd dry.
- <u>01/30/65:</u> Acidize fr/5,965<sup>i</sup> 6,074<sup>i</sup> w/1,000 gals acid. Frac w/2,500 gals crude carrying 1,200<sup>#</sup> sd & 125<sup>#</sup> Adomite. AIR 12.5 BPM. SIP 0 psig. POH w/pkr.
- 01/31/65: Swb 120 BLO, 120 BNO, 65 BAW, 24 hrs.
- 02/04/65: Washed out sd & POH w/RBP.
- 02/05/65: Ran dual prod equip.
- <u>02/14/65:</u> Blinebry IP. 57 BO, 5 BW, 112 MCFD, 24 hrs. Drinkard IP. 80 BO, 17 BW, 78 MCF, 24 hrs.
- 01/28/70: POH w/rods, pmp & Blinebry tbg.
- 01/31/70: Released TAC catcher & 1 jt Drinkard tbg. Set tbg @ 6,475'.
- 02/03/70: RIH w/ rods & pmp.
- 01/11/79: MIRU due to parted tbg. Attempted to fish over multiple days. Pushed Model FA pkr to btm @ 6,752'. Caught fish & POH. RIH w/prod equip & landed tbg @ 6,730' w/SN @ 6,698'.
- 05/12/81: HO tbg due to paraffin.
- 07/17/89: Pmp stuck. HO tbg due to bad paraffin.
- 04/12/90: HO tbg due to bad paraffin.
- 01/24/91: MIRU due to stuck pmp. HO tbg. Pressure test tbg, would not hold. Replace 1 bad jt split 72 jts fr/btm & 2 jts w/bad threads.
- <u>05/02/95:</u> Change pmp and HO tbg due to paraffin. Very heavy paraffin, well will be put on 90 day HO program.
- 04/01/99: Apache Corporation took over operations fr/Conoco, Inc.
- 09/01/05: Name chg'd fr/Lockhart B-11 #10 to East Blinebry Drinkard Unit #19.
- 09/21/11: Added TAC. TIH w/prod eq. EOT @ 6,677' w/SN 6,676'. TAC @ 5,645'.



# **PROPOSED STATUS**

WELL DATA SHEET Last Update: 1-28-14

Lease Name: <u>FBDU \*019W (Lockhart B-11 #10)</u> 1980'N/330'F Location: <u>Unit H</u>, <u>Sec 11, T-215, R-37F</u> API No: 30-025-06480 County: Lee ST: NM 1- 4-65 

 Spud Date:  $4 \cdot 4 \cdot 56$  Well Elev:  $3445^{-1}$  GL 11' KB

  $1 \cdot 16 \cdot 65$  2 - 11 - 65 

 TD Date:  $4 \cdot 25 \cdot 56$  Completion Date:  $4 \cdot 29 \cdot 56$ 
Injection Order Date: 5-14-13 Completion Date: 4-29.56 Blinebry Injection Order No: wfx-909 6775' TD: <u>5925'</u> PBTD: <u>6495</u> TOC: <u>800'(CB1</u>) Permit BPD / PSI: • / 2/00 103/4" 32.75 # H-40 266 250 sx (Circ) TOC 2 800 <u>Casing:</u> Size: 75/8' Wt: 24<sup>#</sup> Grd: 14-40 Dpth: 2955 Cmt: 16465x (Cire) Producing Formation: <u>Blinebry</u> Blinebry Blinebry SQ w/loosx) Perfs: From 5706' to 6074' 1/spf \_\_\_\_\_ to \_\_\_\_ 5706-50 \_\_\_\_ to \_\_\_\_ to /spf 5709-55 5754 Comments : 5780-5826 5845 -5850-90 (BII) TOL @5893' Size: <u>5<sup>1/2</sup></u> Wt: <u>14/15.5</u><sup>4</sup> Grd: <u>J-55</u> Dpth: <u>5926</u> Cmt: <u>42558</u> -5965-6010' (BII) 6013 6055 (BV)6074' Well Equipment: IPC 2 18 Tbg: **/73** Jts 1505 Size Grade J BP@ 6525 N/30' CMT Depth: 5636 (1-3-14) Pkr Type Arlow Ser Drinkard. On-off tool w/ 1.78" Fnipple @ 5684 660120 1.5" R nipple 85648" Ente 5660 FT DI 626,38 Casing: FJ 5893-653,60, 688,94 <sup>Size:</sup> \_ 4" Wt: 9.11" Grd: J-55 Depth: 6774 Cmt: 40 sx ((ire) PП 6704,18,26,33, D页 6738-44 TD:6775

# State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary-Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey, Division Director Oil Conservation Division



Administrative Order WFX-909 May 14, 2013

## ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order R-12394, Apache Corporation has made application to the Division for permission to add three (3) water injection wells to its East Blinebry-Drinkard Unit (EBDU) Waterflood Project in the Blinebry Oil and Pool (6660) and the Drinkard Oil Pool (19190) in Lea County, New Mexico.

### THE DIVISION DIRECTOR FINDS THAT:

The application has been duly filed under the provisions of Division Rule 19.15.26.8B. NMAC and satisfactory information has been provided that affected parties as defined in said rule have been notified and no objections remain outstanding. The proposed wells are eligible for conversion to injection under the terms of that rule. 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.

The proposed expansion of the above-referenced waterflood project, will prevent waste, is in the best interests of conservation, will not impair correlative rights, and should be approved.

### IT IS THEREFORE ORDERED THAT:

Apache Corporation (OGRID 873), as operator, is hereby authorized to inject water into the Blinebry and Drinkard formations through plastic-lined tubing for purposes of secondary recovery. The three wells with specific information proposed in the application are:

API No.	EBDU Well #	Unit	Section	Township	Range	Top Perf.	Bottom Perf.	Tubing	Max Surf Pressure
30-025-06480	19	Н	11	21S .	97E	5676	6744	2.375	2100 psi
30-025-06528	22	Ρ	- 11	21S	37E	5640	5883	2:375	-2100 psi-
30-025-06538	28	D	12	21S	,37E	5690	6825	2.375	2100 psi

Administrative C	Order WFX-909	ł
Apache Corpora	tion	
May 14, 2013	:	
Page 2 of 3	i	

I

The approved maximum surface tubing injection pressure shall be **2100 psi** as permitted under Administrative Order IPI-292 dated February 15, 2008. This order was based on a Step-Rate Test conducted with EBDU Well No. 26 (API 30-025-06536) on December 18, 2007. The operator shall set the injection packer in individual wells no more than 100 feet above the shallowest perforation for the permitted injection interval.

#### IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected fluid enters only the approved injection interval and is not permitted to escape to other formations or onto the surface.

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 injection and prior to resuming injection each time any injection packer is unseated. All MIT testing procedures and schedules shall follow the requirements in Rule 19.15.26.11A. NMAC. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in this well.

The wellhead injection pressure on these wells shall be limited as listed above. In addition, the injection well or header system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface tubing pressures to the maximum allowable pressures for these wells.

Subject to the limitations within the hearing order permitting this project, 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 injected fluids from the approved injection interval. 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 injection equipment and of any MIT test so that the same may be inspected and witnessed. The operator shall provide written notice of the date of commencement of injection to the District I Office. The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Rules 19.15.26.13 and 19.15.7.24 NMAC.

Without limitation on the duties of the operator as provided in Rules 19.15.29 and 19.15.30 NMAC, or otherwise, the operator shall immediately notify the District I Office of any failure of the tubing, casing or packer in the approved injection 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.

Administrative Order WFX-909 Apache Corporation May 14, 2013 Page 3 of 3

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 19.15.5.9 NMAC.

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.

<u>PROVIDED FURTHER THAT</u>, 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. The subject wells shall be governed by all provisions of Division Order No. R-12394 and associated administrative orders.

The injection authority granted herein shall terminate two (2) years after the effective date of this order if the operator has not commenced injection operations into at least one of the subject wells, provided however, the Division, upon written request by the operator received prior to the two-year deadline, may grant an extension thereof for good cause shown.

JAMI BAILEY Director

JB/prg

cc: New Mexico Oil Conservation Division – Hobbs Case File 13503