

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Dylan M. Fugue, Acting Director
Oil Conservation Division



BY ELECTRONIC MAIL ONLY

Ms. Sharon Shaheen
Montgomery & Andrews Law Firm
325 Paseo de Peralta
Santa Fe, NM 87501
Counsel for Endeavor Energy Resources, LP
E-mail: sshaheen@montand.com

RE: Cancellation of Authority - Administrative Order CA-12932

Authority: Order No. R-10139 approved June 22, 1994
State MA Com Well No. 1 API No. 30-015-23709
Unit H, Sec. 3, T25S, R28E, NMPM, Eddy County, New Mexico
Injection interval: Bone Spring formation; 7287 feet to 7740 feet

Ms. Shaheen:

Reference is made to your correspondence on behalf of Endeavor Energy Resources, LP (OGRID: 190595; "Endeavor") received by the Division on February 10, 2023, for the State MA Com Well No. 1 ("Well"). In Oil Conservation Division ("OCD") Case No. 23042 ("Case"), Mewbourne Oil Company ("Mewbourne") file an application to revoke the injection authority approved for the Well. Mewbourne contended that the continued operation of the disposal well will adversely impact correlative rights and diminish the hydrocarbon resources that can be recovered by horizontal well development. Mewbourne also stated that attempts to obtain the voluntary consent of Endeavor to suspend injection operation for the Well was unsuccessful.

The initial hearing of the Case occurred on October 6, 2022, with both parties supportive of additional time for negotiation. The Case is currently active and has been continued to the OCD Division hearing docket set for April 6, 2023. Endeavor now requests the cancellation of the injection authority as part of an agreement between the two parties in this Case.

A review of OCD records of the well file contains a Form C-103 Notice of Intent, approved on January 3, 2023, for the plugging and abandonment of the Well. At the time of the review, a Form C-103 Subsequent Report confirming the plugging of the Well had not been filed.


Division Order No. R-10139
State MA Com Well No. 1
Endeavor Energy Resources, LP
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Having considered your request and the current status of the Well, the OCD hereby cancels the injection authority for the Well approved under Order No. R-10139. By virtue of this cancellation, which is being made at Endeavor request, Endeavor waives its right of appeal of this order or any condition in such order to any forum or tribunal.

Jurisdiction of this cause is hereby retained for entry of such further orders as the OCD may deem necessary. Cancellation of inject authority does not alter or relieve Endeavor of the obligation to properly plug and abandon the Well in a timely fashion. Additionally, this cancellation does not, in and of itself, resolve the pending Case that includes the Well as the subject matter.

Please contact Phillip Goetze (phillip.goetze@emnrd.nm.gov) with any questions regarding the content of this order.

Sincerely,


DYLAN M. FUGE
Director (Acting)

DATE: 3/30/13

DMF/prg

ATTACHMENT: Copy of Montgomery & Andrews Law Firm Correspondence dated February 10, 2023

cc: Case No. 10968 for Division Order No. R-10139
Well file API 30-015-23709
Case No. 23042



**MONTGOMERY
& ANDREWS**
LAW FIRM

SHARON T. SHAHEEN
Direct: (505) 986-2678
Email: sshaheen@montand.com
www.montand.com

February 10, 2023

Via email and U.S.P.S. Mail

Dylan Fuge, Acting Director
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87501
Dylan.Fuge@emnrd.nm.gov

RE: Endeavor Energy Resources, L.P.'s request for cancellation of Order No. R-10139, cancelling authority to dispose of produced water in the State "MA" Com Well No. 1, Eddy County, New Mexico

Director Fuge,

By this letter, Endeavor Energy Resources, L.P. ("Endeavor") requests that the Division cancel Order No. R-10139, previously issued in Case No. 10968 on June 22, 1994 ("Order"). Endeavor requests that the cancellation be effective as of February 1, 2023.

The Order authorizes the injection of produced water in the State MA Com Well No. 1, API# 30-015-23709 ("Well") for disposal in the Bone Spring formation from approximately 7,287 feet to 7,740 feet. Endeavor operates the Well, which is located 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 3, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico.

The Well and disposal therein are currently the subject of Division Case No. 23042, *Application of Mewbourne Oil Company to Revoke or Modify the Injection Authority Granted Under Order No. R-10139 for the State MA Com No. 1* (filed Aug. 25, 2022). Mewbourne and Endeavor have resolved their differences in Case No. 23042 and have agreed, among other things, that Endeavor will seek cancellation of the Order by letter to the Division.

No other parties entered an appearance in the above-referenced matter. Therefore, no party objects to this request.

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

Director Fuge
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Thank you for your assistance in this matter. Please let me know if you have any questions or concerns about this request.

Very truly yours,

MONTGOMERY & ANDREWS



Sharon T. Shaheen

ec: Will Krueger
Bradley Bates

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 269638

CONDITIONS

Operator: NEW MEXICO ENERGY MINERALS & NATURAL RESOURCE 1220 S St Francis Dr Santa Fe , NM 87504	OGRID: 264235
	Action Number: 269638
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
pgoetze	None	9/27/2023