

From: Sandoval, Stacy, EMNRD
To: s.parsley@delawareenergy.com; m.mccurdy@delawareenergy.com
Cc: Goetze, Phillip, EMNRD; Winkler, Justin, EMNRD
Subject: Confirmation of Cancellation on July 11, 2024, of Form C-108 Application(s) Within the County Line SRA
Date: Wednesday, September 11, 2024 9:29:00 AM
Attachments: County-Line-Cancel-Notice-final.pdf
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Greetings Applicant:

The Oil Conservation Division ("OCD") enacted a Management Plan Revision (Revision No. 1 dated December 1, 2023) which increased injection volumes for some of the approved Underground Injection Control ("UIC") Class II disposal wells within County Line Seismic Response Area ("SRA"). Due to the occurrence of induced seismicity within the described area, OCD has worked with operators of active disposal wells to temporarily curtail injection and investigate the conditions contributing to induced seismicity. The Revision offers the opportunity for identifying an optimal capacity of disposal using existing wells within the SRA while mitigating induced seismicity. Existing permits already authorize significant disposal volumes that are well above the levels currently authorized under our seismic response protocol.

Consistent with its efforts to find a balance and manage seismicity with the SRA and considering the disposal authorized under current approved permits, OCD has determined that any increase in injection volumes with the completion of new disposal wells in the Devonian and Silurian intervals would likely contribute directly to the observed induced seismicity. OCD also believes that additional injection volumes would complicate the assessment effort and possibly result in greater reductions of injection capacity for existing operations. OCD provided this summary and the announcement for cancellation of UIC Class II permits within the 10-mile radius of the SRA in the Notice signed by the Director and dated July 11, 2024.

To supplement the Notice posted on the website, OCD is providing this email that includes a list of C-108 applications where your business was identified as the applicant for the UIC permit and were cancelled as a result of this action. Should you have any questions concerning this email or the content of the Notice, please contact Phillip Goetze, UIC Group Manager, at phillip.goetze@emnrd.nm.gov or by phone: 505.660.8274. Thank you.

Assigned SWD No.	Admin App ID	API	Well Name	Applicant	Status	Date Received
SWD-2033	pMAM1909356332	30-015-Pending	Delta SWD No. 1	Delaware Energy, LLC	Protested	4/3/2019
SWD-2049	pSD1910641452	30-015-Pending	Echo SWD No. 1	Delaware Energy, LLC	In Progress	4/5/2019
SWD-2050	pSD1910642942	30-015-Pending	Sierra SWD No. 1	Delaware Energy, LLC	In Progress	4/5/2019

Thank you,
Stacy Sandoval
Petroleum Specialist B
Stacy.Sandoval@emnrd.nm.gov



State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Melanie A. Kenderdine
Cabinet Secretary-Designate

Dylan M. Fuge
Deputy Secretary

Dylan M. Fuge, Division Director (Acting)
Oil Conservation Division



NOTICE
SEISMICITY RESPONSE PROTOCOL
Cancellation of Pending Permit Applications
for Underground Injection Control Class II Disposal Wells
Within the County Line Seismic Response Area

July 11, 2024

After a comprehensive internal review, which included consultation with Oil Conservation Division ("OCD") internal and external industry experts, the OCD recently enacted a Management Plan Revision (Revision No. 1 dated December 1, 2023) which increased injection volumes for some of the approved Underground Injection Control ("UIC") Class II disposal wells within County Line Seismic Response Area ("SRA"). Due to the occurrence of induced seismicity within the described area, OCD has worked with operators of active disposal wells to temporarily curtail injection and investigate the conditions contributing to induced seismicity. The Revision offers the opportunity for identifying an optimal capacity of disposal using existing wells within the SRA while mitigating induced seismicity. Existing permits already authorize significant disposal volumes that are well above the levels currently authorized under our seismic response protocol.

Consistent with its efforts to find a balance and manage seismicity with the SRA and considering the disposal authorized under current approved permits, OCD has determined that any increase in injection volumes with the completion of new disposal wells in the Devonian and Silurian intervals would likely contribute directly to the observed induced seismicity. OCD also believes that additional injection volumes would complicate the assessment effort and possibly result in greater reductions of injection capacity for existing operations.

Therefore, OCD has identified (75) UIC Class II permit applications within the 10-mile radii that are to be administratively cancelled unless and until such time that the OCD our proponents of those wells are able to demonstrate that additional disposal capacity with the SRA can be accommodated without increasing seismic activity. The cancellations are to be effective immediately. Applications to be cancelled shall include pending applications and protested applications. The injection authority of UIC Class II wells for Devonian and Silurian disposal that are within the SRA, which are only authorized under a UIC Permit and do not have an approved APD, shall not be extended. Applications which are part of Division hearing cases shall be addressed through the OCD adjudication process including OCD filings for dismissal of the cases.

A map showing the SRA and the applications and UIC permits to be impacted follows this notice (Appendix A). Along with the map, OCD has compiled a list of applications to be cancelled. OCD will also provide written notice through electronic mail to the individual operators or their representatives that submitted the applications.

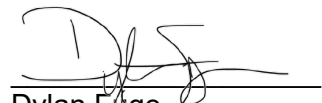
OCD will continue testing operational conditions and restrictions according to its Seismic Response Protocol and pursuant to 1978 NMSA 70-2-12 until such time as sufficient data is

acquired to map related faulting and establish permissible injection rates which protect correlative rights and ensure confinement of injected water in the appropriate strata.

With this action, OCD is also announcing that it shall not be accepting new applications within the SRA until it has been demonstrated that approval of new disposal wells will not result in increased seismic activity.

For more information or questions regarding this matter, please contact Justin Wrinkle, Engineering Bureau Chief, justin.wrinkle@emnrd.nm.gov , (505) 670-0802.

Approved by the Director

A handwritten signature in black ink, appearing to read 'Dylan Fuge', is written over a horizontal line.

Dylan Fuge
Acting Director
EMNRD Deputy Secretary

SEISMICITY RESPONSE PROTOCOL
Cancellation of Pending Permit Applications
for Underground Injection Control Class II Disposal Wells
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TABLE OF CANCELLED APPLICATIONS FOR UIC CLASS II SILURO-DEVONIAN DISPOSAL WELLS

	Assigned SWD No.	Admin App ID	API	Well Name	Applicant	Status	Date Received
1	SWD-1776	pMAM1828851695	30-025-Pending	Linda SWD No. 1	Mesquite SWD Inc.	Protested	10/16/2018
2	SWD-1780	pMAM1827553727	30-015-Pending	Baker SWD No. 1	Mesquite SWD Inc.	In Progress	10/3/2018
3	SWD-1782	pMAM1826355651	30-015-Pending	Dillinger Fed SWD No. 1	Solaris Water Midstream, LLC	Protested	9/20/2018
4	SWD-1855	pLEL1832554216	30-015-Pending	Red Bellied Cooter SWD No. 1	Mesquite SWD Inc.	In Progress	11/9/2018
5	SWD-1896	pMAM1820056178	30-015-44569	Poker Lake Unit Big Sinks 32 State SWD No. 11	XTO Permian Operating LLC [BOPCO LP]	In Progress	7/10/2018
6	SWD-1901	pMAM1903649827	30-015-Pending	Ross Draw SWD No. 1	Judah Oil LLC	Protested	11/28/2018
7	SWD-1911	pPRG1903935330	30-015-24724	Poker Lake Unit State SWD No. 63	POCO Resources LLC	Protested	12/30/2018
8	SWD-1978	pMAM1905931295	30-025-Pending	Columbus Fee SWD No. 1	ConocoPhillips	Approved; term extension	2/25/2019
9	SWD-1982	pMAM1906346538	30-025-Pending	Bottomless Pit Federal SWD No. 1	Permian Oilfield Partners, LLC	Protested	2/26/2019
10	SWD-1989	pMAM1903248173	30-015-45239	Ross Draw SWD No. 1	Solaris Water Midstream, LLC	In Progress	2/1/2019
11	SWD-1991	pMAM1907140751	30-025-Pending	Guzzler Federal SWD No. 1	Permian Oilfield Partners, LLC	Protested	3/12/2019
12	SWD-2002	pMAM1907956968	30-015-45434	Jesse Spano State SWD No. 1	Solaris Water Midstream, LLC	In Progress	3/20/2019
13	SWD-2006	pMAM1908150633	30-015-Pending	Crazy Ant Federal SWD No. 1	Blackbuck Resources, LLC	Protested	3/22/2019
14	SWD-2012	pMAM1908534167	30-015-Pending	WLC M Federal SWD No. 4	Trove Energy and Water, LLC	Protested	3/25/2019
15	SWD-2029	pMAM1909252903	30-015-Pending	Poker Lake Unit TWR 21 SWD No. 9	XTO Permian Operating LLC [BOPCO LP]	Protested	3/28/2019
16	SWD-2033	pMAM1909356332	30-015-Pending	Delta SWD No. 1	Delaware Energy, LLC	Protested	4/3/2019
17	SWD-2049	pSD1910641452	30-015-Pending	Echo SWD No. 1	Delaware Energy, LLC	In Progress	4/5/2019
18	SWD-2050	pSD1910642942	30-015-Pending	Sierra SWD No. 1	Delaware Energy, LLC	In Progress	4/5/2019
19	SWD-2084	pMAM1912728873	30-025-Pending	Bullseye Federal SWD No. 1	Permian Oilfield Partners, LLC	Approved; extension requested	4/30/2019
20	SWD-2085	pMAM1912729599	30-025-Pending	Screaming Vacuum Fed SWD No. 2	Permian Oilfield Partners, LLC	Protested	4/30/2019
21	SWD-2088	pMAM1912736099	30-025-Pending	Tidal Wave Federal SWD No. 1	Permian Oilfield Partners, LLC	Protested	4/30/2019
22	SWD-2090	pMAM1912738972	30-025-Pending	Chugger State SWD No. 1	Permian Oilfield Partners, LLC	In Progress	5/7/2019
23	SWD-2095	pLEL1912752463	30-025-Pending	Caltrops State SWD No. 1	Solaris Water Midstream, LLC	Protested	4/26/2019
24	SWD-2097	pMAM1912757315	30-025-Pending	Salvo Federal SWD No. 1	Permian Oilfield Partners, LLC	Protested	4/29/2019
25	SWD-2102	pMAM1912859652	30-025-Pending	Crossfire Federal SWD No. 1	Permian Oilfield Partners, LLC	In Progress	4/30/2019
26	SWD-2102	pLEL1912859561	30-025-Pending	Mind The Gap Federal SWD No. 1	Permian Oilfield Partners, LLC	In Progress	4/30/2019
27	SWD-2103	pMAM1912860008	30-025-Pending	Straight Shooter State SWD No. 1	Permian Oilfield Partners, LLC	Approved; extension requested	4/30/2019
28	SWD-2105	pLEL1912862262	30-025-Pending	Deep Thirst Federal SWD No. 2	Permian Oilfield Partners, LLC	In Progress	4/30/2019
29	SWD-2106	pMAM1912938819	30-025-Pending	Bottomless Pit Federal SWD No. 2	Permian Oilfield Partners, LLC	Protested	4/30/2019
30	SWD-2113	pMAM1913547282	30-025-Pending	Threaded Needle Federal SWD No. 1	Permian Oilfield Partners, LLC	Protested	5/6/2019
31	SWD-2117	pMAM1913552521	30-025-Pending	FLC South Federal SWD No. 1	Trove Energy and Water, LLC	In Progress	5/13/2019
32	SWD-2118	pMAM1913553333	30-025-Pending	Jack Hammack Federal No. 1	Longwood Water Management Company, LLC	In Progress	5/15/2019
33	SWD-2119	pMAM1914335024	30-025-Pending	Waterfall Federal SWD No. 1	Permian Oilfield Partners, LLC	In Progress	5/16/2019
34	SWD-2123	pMAM1914345314	30-015-Pending	Big Blue Federal SWD No. 1	Permian Oilfield Partners, LLC	Protested	5/23/2019
35	SWD-2124	pMAM1914345832	30-015-Pending	White Cap Federal SWD No. 1	Permian Oilfield Partners, LLC	Protested	5/22/2019

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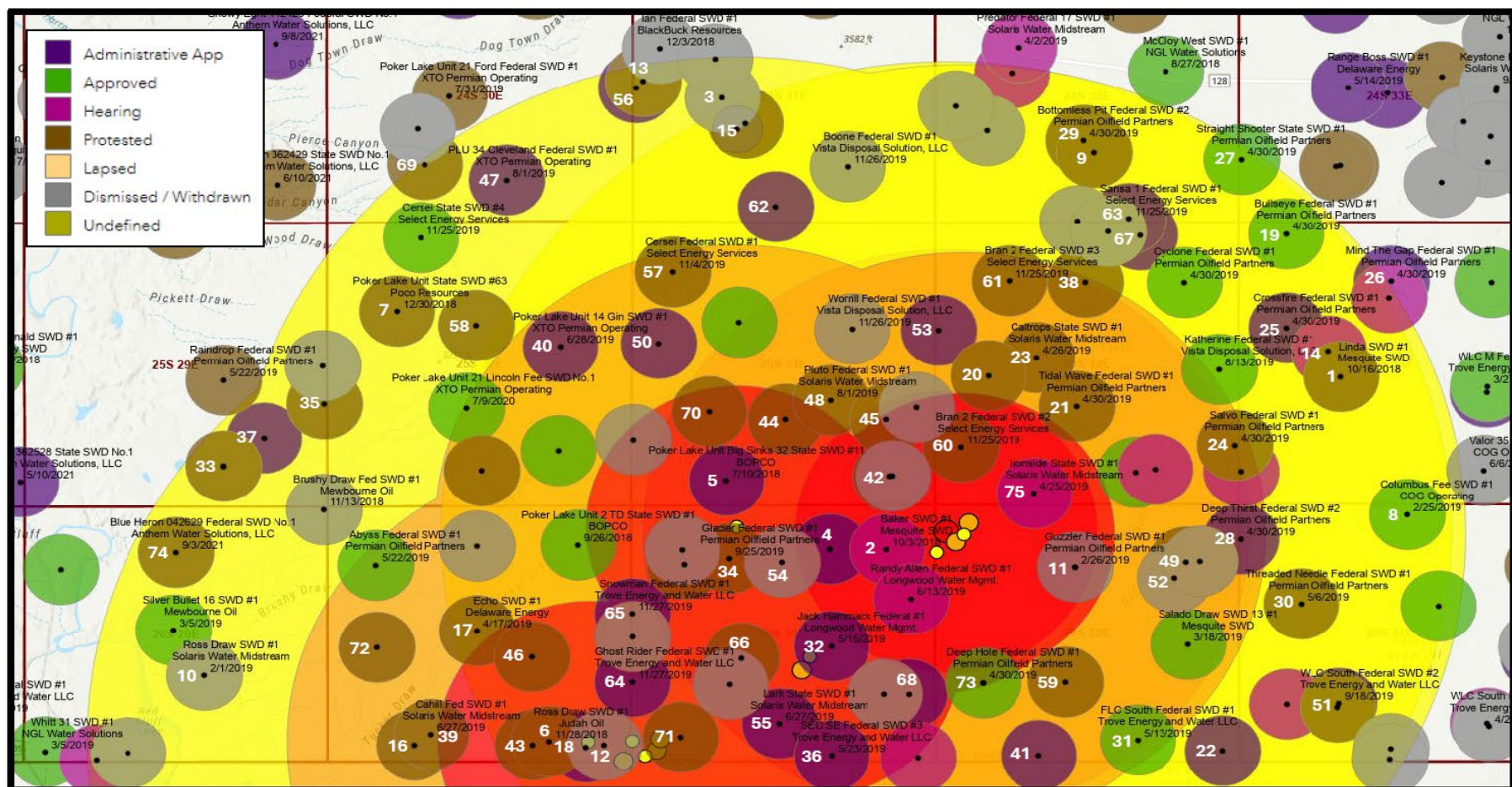
TABLE OF CANCELLED APPLICATIONS FOR UIC CLASS II SILURO-DEVONIAN DISPOSAL WELLS

	Assigned SWD No.	Admin App ID	API	Well Name	Applicant	Status	Date Received
36	SWD-2135	pMAM1914436200	30-015-Pending	SEC SE Federal SWD No. 3	Trove Energy and Water, LLC	In Progress	5/23/2019
37	SWD-2144	pMAM1915657846	30-015-Pending	CC SR 26 Salisbury SWD	XTO Energy, Inc.	In Progress	5/29/2019
38	SWD-2145	pMAM1915658350	30-025-Pending	Jupiter Federal SWD No. 1	Solaris Water Midstream, LLC	Protested	5/29/2019
39	SWD-2174	pMAM1917853144	30-015-Pending	Cahill Fed SWD No. 1	Solaris Water Midstream, LLC	Protested	6/27/2019
40	SWD-2177	pMAM1918231216	30-015-Pending	Poker Lake Unit 14 Gin SWD No. 1	XTO Permian Operating LLC	In Progress	6/28/2019
41	SWD-2182	pMAM1919032787	30-025-Pending	Big Swig Federal SWD No. 1	Permian Oilfield Partners, LLC	In Progress	7/9/2019
42	SWD-2195	pMAM1919855982	30-015-Pending	Osprey State SWD No. 1	Solaris Water Midstream, LLC	Protested	7/17/2019
43	SWD-2210	pMAM1920731682	30-015-Pending	Cordell Federal SWD No. 1	Solaris Water Midstream, LLC	Protested	7/22/2019
44	SWD-2215	pMAM1921148076	30-025-Pending	Renegade Federal SWD No. 1	Permian Oilfield Partners, LLC	Protested	7/30/2019
45	SWD-2216	pMAM1921149386	30-015-Pending	Rebel Federal SWD No. 1	Permian Oilfield Partners, LLC	Protested	7/30/2019
46	SWD-2220	pMAM1921257860	30-015-Pending	Trivette Fed SWD No. 1	Solaris Water Midstream, LLC	Protested	7/30/2019
47	SWD-2223	pMAM1921350099	30-015-Pending	PLU 34 Cleveland Federal SWD No. 1	XTO Permian Operating LLC	In Progress	7/31/2019
48	SWD-2225	pMAM1921434360	30-015-Pending	Pluto Federal SWD No. 1	Solaris Water Midstream, LLC	Protested	8/2/2019
49	SWD-2260	pMAM1924046473	30-025-Pending	MESA 8105 SWD No. 2	BTA Oil Producers, LLC	Protested	8/27/2019
50	SWD-2270	pKAM1925556844	30-005-Pending	Poker Lake Unit 18 Rummy Fed SWD No. 1	XTO Permian Operating LLC	In Progress	9/10/2019
51	SWD-2283	pLEL1926127912	30-025-Pending	WLC South Federal SWD No. 2	Trove Energy and Water, LLC	In Progress	8/19/2019
52	SWD-2285	pLEL1926759694	30-025-Pending	Bran 1 Federal SWD No. 1	Select Energy Services, LLC	Protested	9/23/2019
53	SWD-2286	pLEL1926936398	30-025-Pending	Bran 2 Federal SWD No. 1	Select Energy Services, LLC	In Progress; suspended	9/23/2019
54	SWD-2297	pDM1926960462	30-015-Pending	Glacier Federal SWD No. 1	Permian Oilfield Partners, LLC	Protested	9/25/2019
55	SWD-2303	pKAM1928134119	30-015-Pending	Lark State SWD No. 1	Solaris Water Midstream, LLC	In Progress	6/27/2019
56	SWD-2311	pDHR1930947870	30-015-Pending	Poker Lake Unit 19 Madison Fed SWD No. 1	XTO Permian Operating LLC	In Progress	10/9/2019
57	SWD-2313	pDHR1931750310	30-015-Pending	Cersei Federal SWD No. 1	Select Energy Services, LLC	Protested	11/4/2019
58	SWD-2316	pBL1932658509	30-015-Pending	Cersei State SWD No. 3	Select Energy Services, LLC	Protested	11/4/2019
59	SWD-2323	pBL1932959960	30-025-Pending	Bran 1 Federal SWD No. 1	Select Energy Services, LLC	Protested	11/25/2019
60	SWD-2324	pBL1933029868	30-025-Pending	Bran 2 Federal SWD No. 2	Select Energy Services, LLC	Protested	11/25/2019
61	SWD-2325	pBL1933031231	30-025-Pending	Bran 2 Federal SWD No. 3	Select Energy Services, LLC	Protested	11/25/2019
62	SWD-2326	pBL1933032216	30-015-Pending	Cersei Federal SWD No. 2	Select Energy Services, LLC	In Progress	11/25/2019
63	SWD-2330	pBL1933036293	30-025-Pending	Sansa 1 Federal SWD No. 1	Select Energy Services, LLC	In Progress	11/25/2019
64	SWD-2339	pBL1933153543	30-015-Pending	Ghost Rider Federal SWD No. 1	Trove Energy and Water, LLC	In Progress	11/27/2019
65	SWD-2340	pBL1933635804	30-015-Pending	Snowman Federal SWD No. 1	Trove Energy and Water, LLC	In Progress	11/27/2019
66	SWD-2342	pBL1934051302	30-015-Pending	Flowers SWD No. 3	Longwood Water Management Company, LLC	In Progress	12/6/2019
67	SWD-2348	pBL1934437882	30-025-Pending	Colt State SWD No. 1	Solaris Water Midstream, LLC	In Progress	6/27/2019
68	SWD-2355	pBL1934643155	30-015-Pending	Midnight Flyer Fed SWD No.1	Trove Energy and Water, LLC	In Progress	12/12/2019
69	SWD-2367	pJAG2001553829	30-015-Pending	Poker Lake Unit 29 Canasta Fed SWD No. 1	XTO Permian Operating LLC	In Progress	1/15/2020
70	SWD-2428	pBL2116953045	30-015-Pending	Killdeer 292531 Federal SWD No.1	Anthem Water Solutions, LLC	In Progress	6/11/2021

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	Assigned SWD No.	Admin App ID	API	Well Name	Applicant	Status	Date Received
71	SWD-2429	pBL2116953697	30-015-Pending	Montezuma Quail 302631 Federal SWD No.1	Anthem Water Solutions, LLC	Protested	6/11/2021
72	SWD-2432	pBL2116955909	30-015-Pending	Roadrunner 182630 Federal SWD No. 1	Anthem Water Solutions, LLC	In Progress	6/16/2021
73	SWD-2440	pBL2120442414	30-025-47934	Deep Hole Federal SWD No.1	Permian Oilfield Partners, LLC	In Progress	7/21/2021
74	SWD-2455	pBL2124636920	30-025-Pending	Blue Heron 042629 Federal SWD No. 1	Anthem Water Solutions, LLC	In Progress	9/3/2021
75	SWD-2518	pAZS2300354936	30-025-Pending	Ironside State SWD No. 1	Solaris Water Midstream, LLC	In Progress	4/25/2019



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1625 N. French Dr., Hobbs, NM 88240
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District III
1000 Rio Brazos Rd., Aztec, NM 87410
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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 389229

CONDITIONS

Operator: NEW MEXICO ENERGY MINERALS & NATURAL RESOURCE 1220 S St Francis Dr Santa Fe , NM 87504	OGRID: 264235
	Action Number: 389229
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
stacy.sandoval	None	10/2/2024