

From: [Sandoval, Stacy, EMNRD](#)
To: ashley@water.energy
Cc: [Goetze, Phillip, EMNRD](#); [Harris, Anthony, EMNRD](#); [Chavez, Carl, EMNRD](#); [Doug, Delilah, EMNRD](#); [Cordero, Gilbert, EMNRD](#); [Wrinkle, Justin, EMNRD](#)
Subject: Signed Extension of Injection Authority_SWD-1878_Mills 19 SWD No. 1_Enchantment Water, LLC
Date: Tuesday, July 28, 2026 3:46:00 PM
Attachments: [SWD-1878 Enchantment Water, LLC Mills 19 SWD No. 1 EOT Signed.pdf](#)
[image001.png](#)

Greetings Ms. Kegley-Whitehead,

Attached is the signed Extension of Injection Authority for the subject administrative order. Ensure that you understand the provisions of the extension order. Don't hesitate to contact the UIC team with any questions about the extension order or its content.

Thank you,

Stacy Sandoval

Petroleum Specialist

Stacy.Sandoval@emnrd.nm.gov



From: [Ashley Kegley](#)
To: [Rikala, Ward, EMNRD](#)
Cc: [Engineer, OCD, EMNRD](#); [Goetze, Phillip, EMNRD](#); [Harris, Anthony, EMNRD](#); [Sandoval, Stacy, EMNRD](#); [Dougli, Delilah, EMNRD](#); [Christian Padilla](#); [Mike Dyson](#); [Chris Caudill](#); [Matthias Sayer](#)
Subject: Re: [EXTERNAL] SWD-1878 – Extension Request
Date: Friday, July 10, 2026 2:42:07 PM
Attachments: [image001.png](#)

Hi Ward,

I saw your out-of-office message and hope you had a great time away. Hopefully you've had a chance to get caught up on email.

I just wanted to follow up on the email thread below regarding the Mills 19 SWD #1 C-101 APD. As we're working toward mobilizing and drilling the well, I wanted to see if you've had a chance to review our questions or if there is any additional information we can provide to assist with your review.

We appreciate your guidance and look forward to hearing from you.

Thank you,

Ashley

Ashley Kegley-Whitehead

Chief of Staff & Strategic Initiatives

On Mon, Jul 6, 2026 at 3:58 PM Ashley Kegley-Whitehead <ashley@water.energy> wrote:

Hi Stacy,

Thank you for the update and for pointing us in the right direction. I appreciate your help.

Ward, thank you in advance for taking a look at this. The background is included in the thread below, but please let us know if there is any additional information or documentation that would be helpful as you review the C-101 APD question. We appreciate your guidance on the appropriate path forward. We have a team ready to mobilize and are working toward drilling the well, as the August 8 deadline is quickly approaching.

Thank you both, and have a great afternoon.

Best,

Ashley

Ashley Kegley-Whitehead

Chief of Staff & Strategic Initiatives

On Mon, Jul 6, 2026 at 3:32 PM Sandoval, Stacy, EMNRD
<Stacy.Sandoval@emnrd.nm.gov> wrote:

Hello Ashley,

I am going to refer you to Ward Rikala the Administrative Permitting Engineering Supervisor for your C-101 APD questions. His email is Ward.Rikala@emnrd.nm.gov. I also included him on this email. The UIC group is still processing your extension request, and we will continue with its processing contingent with what happens with the C-101 APD.

Thank you,

Stacy Sandoval

Petroleum Specialist

Stacy.Sandoval@emnrd.nm.gov



From: Ashley Kegley-Whitehead <ashley@water.energy>

Sent: Monday, July 6, 2026 12:14 PM

To: Sandoval, Stacy, EMNRD <Stacy.Sandoval@emnrd.nm.gov>

Cc: Engineer, OCD, EMNRD <OCD.Engineer@emnrd.nm.gov>; Goetze, Phillip, EMNRD <phillip.goetze@emnrd.nm.gov>; Harris, Anthony, EMNRD <Anthony.Harris@emnrd.nm.gov>; Dougi, Delilah, EMNRD <Delilah.Dougi@emnrd.nm.gov>; Christian Padilla <christian@water.energy>; Mike Dyson <mike@water.energy>; Chris Caudill <chris@water.energy>; Matthias Sayer <matthias@bradfutelaw.com>

Subject: Re: [EXTERNAL] SWD-1878 – Extension Request

You don't often get email from ashley@water.energy. [Learn why this is important](#)

Hi Stacy,

I hope you're doing well. I wanted to follow up on my email below regarding the Mills 19 SWD #1.

As we continue preparing to drill the well prior to the August 8, 2026 deadline, we would appreciate any guidance the Division can provide on the appropriate path forward with the associated C-101 APD. When you have a chance, please let us know if you need any additional information from us or if there is anything we should submit to facilitate your review.

We appreciate your time and understand you have a busy workload. Thank you in advance for any guidance you can provide.

Best,

Ashley

Ashley Kegley-Whitehead

Chief of Staff & Strategic Initiatives

On Fri, Jun 26, 2026 at 4:02 PM Ashley Kegley-Whitehead <ashley@water.energy> wrote:

Thank you for your email, Stacy.

No, drilling has not yet commenced on the Mills 19 SWD #1, but Enchantment is actively preparing to drill the well and intends to commence drilling prior to the current August 8, 2026 expiration of the SWD-1878 injection authorization.

As we began preparing for development of the well and reviewing the permit files, we discovered that, although SWD-1878 has remained active through the approved extensions, the associated C-101 APD expired during that time.

Based on our review, the proposed project remains materially consistent with

the application previously approved by the Division. Specifically, we have not identified any new SWD wells within the one-mile area of review.

Enchantment has continued to prioritize recycling and beneficial reuse of produced water where practicable, but increasing produced water volumes have made the Mills 19 SWD an important component of maintaining reliable disposal capacity and operational flexibility.

Accordingly, we are seeking the Division's guidance regarding the most appropriate administrative process. Specifically, is there a path to retroactively extend the C-101, can we submit a replacement C-101 APD under the existing SWD-1878 authorization, or would the Division require additional action with respect to the SWD authorization before drilling may proceed?

We appreciate the Division's assistance and look forward to your guidance. Our goal is to proceed with drilling before the current August 8, 2026 expiration of the injection authorization.

Thank you for your time.

Ashley Kegley-Whitehead

Chief of Staff & Strategic Initiatives

On Thu, Jun 18, 2026 at 5:34 PM Sandoval, Stacy, EMNRD
<Stacy.Sandoval@emnrd.nm.gov> wrote:

Good afternoon,

Your extension request has been received and your submission was timely. The letter that was submitted in your email is sufficient for the extension request. The last extension of injection authority signed by the director on 7/25/2025 states in the last paragraph that, "any additional extension of the deadline to commence injection for this administrative order will not be considered unless the operator has already

commenced drilling of the referenced well.” Have you begun drilling this well as stipulated in the last extension of injection authority?

Thank you,

Stacy Sandoval

Petroleum Specialist

Stacy.Sandoval@emnrd.nm.gov



From: Ashley Kegley-Whitehead <ashley@water.energy>

Sent: Tuesday, June 16, 2026 12:05 PM

To: Goetze, Phillip, EMNRD <Phillip.Goetze@emnrd.nm.gov>; Engineer, OCD, EMNRD <OCD.Engineer@emnrd.nm.gov>

Cc: Christian Padilla <christian@water.energy>

Subject: [EXTERNAL] SWD-1878 – Extension Request

You don't often get email from ashley@water.energy. [Learn why this is important](#)

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Good morning,

Enchantment Water is currently advancing engineering and development activities associated with SWD-1878 (Mills 19 SWD No. 1). The current injection authority is scheduled to expire on August 8, 2026.

While the project continues to move forward, our current schedule indicates that drilling and construction activities may not be completed prior to the expiration date. As a result, we anticipate that Enchantment Water may need to submit a request for an extension of injection authority.

Attached is a draft of the proposed extension request letter for your reference. Before submitting a formal request, we wanted to reach out to determine whether there is any additional information the Division would like to see in support of an extension request beyond what has been provided previously.

To the best of our knowledge, there have been no material changes within the approved Area of Review since the most recent extension approval.

We appreciate your guidance and look forward to working with the Division as the project progresses.

Thank you for your time and consideration.

Best regards,

Ashley

Ashley Kegley-Whitehead

Chief of Staff & Strategic Initiatives

☐ Ashley@water.energy

☐ [\(512\) 710-1863](tel:(512)710-1863)

☐ [\(512\) 660-2898](tel:(512)660-2898)

☐ water.energy



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2-200, Austin, TX 78746
(512) 710-1863 
www.water.energy 

June 16, 2026

Mr. Albert Chang
Division Director
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Request for Extension of Injection Authority | SWD-1878 – Mills 19 SWD No. 1 (API 30-015-49289) Lea County, New Mexico

Dear Mr. Chang:

Enchantment Water, LLC respectfully requests an extension of the deadline to commence injection under Administrative Order SWD-1878 for the Mills 19 SWD No. 1 well.

The project remains active, and Enchantment Water continues to advance engineering, design, and development activities associated with the permitted disposal facility. While meaningful progress has been made toward project development, additional time is required to complete engineering and project planning activities necessary to support drilling and construction of the facility. Enchantment Water remains committed to developing the project under the existing permit authority and intends to proceed with drilling upon completion of these activities.

To the best of our knowledge, there have been no material changes within the approved one-mile Area of Review since the most recent extension approval. Specifically:

- No additional wells penetrating the approved injection interval have been identified within the approved Area of Review.
- No new affected parties have been identified within the approved Area of Review.
- The approved injection interval, well design, and operating parameters remain substantially unchanged from those previously reviewed and approved by the Division.

Accordingly, Enchantment Water respectfully requests that the Division administratively extend the deadline to commence injection for an additional one-year period.

Enchantment Water believes approval of this request remains consistent with the interests of conservation, prevention of waste, and protection of the environment. All conditions and requirements of Administrative Order SWD-1878 would remain in full force and effect.

Thank you for your consideration.

Sincerely,

Ashley Kegley
Infinity Water Solutions
On behalf of Enchantment Water, LLC

EXHIBIT A



July 12, 2022

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Attn: Ms. Adrienne Sandoval, Director

Re: Request for Extension of Solaris Water Midstream, LLC Injection Permit - Mills 19 SWD # 1
Administrative Order SWD-1878

Dear Ms. Sandoval,

Whereas, Solaris Water Midstream, LLC ("Solaris") received an Extension of Deadline to Inject on July 9, 2021 for its Mills 19 SWD #1 located in Section 19, Township 22 South, Range 32 East in Lea County, New Mexico. The extension was granted for one (1) year and is set to expire this month on July 29, 2022. A copy of said Approval of the Extension is attached hereto as Exhibit "A".

Whereas, the referenced well has not yet been drilled due to complications associated with the COVID-19 Pandemic, amongst other related issues that stem from the pandemic. Furthermore, this request is being made to facilitate the transfer of the Permit to Enchantment Water, LLC (OGRID # 329620) per the terms of the existing Lease. Therefore, Solaris kindly requests an extension for one (1) additional year from the current expiration date of July 29, 2022 to commence injection for the hereinabove referenced well.

It is important to note that since July 7, 2021 (date of the last request for an Extension), based on research conducted by Enchantment Water, LLC, no additional wells that penetrate the approved injection interval were drilled in the one-mile Area of Review (AOR), nor have any of the Affected Parties changed. A map depicting the AOR is attached hereto as Exhibit "B", as well as another map depicting all Affected Parties as Exhibit "C", again none of which have changed.

If you have any questions or comments, please do not hesitate to contact me. Your attention to this matter is greatly appreciated.

Best regards,

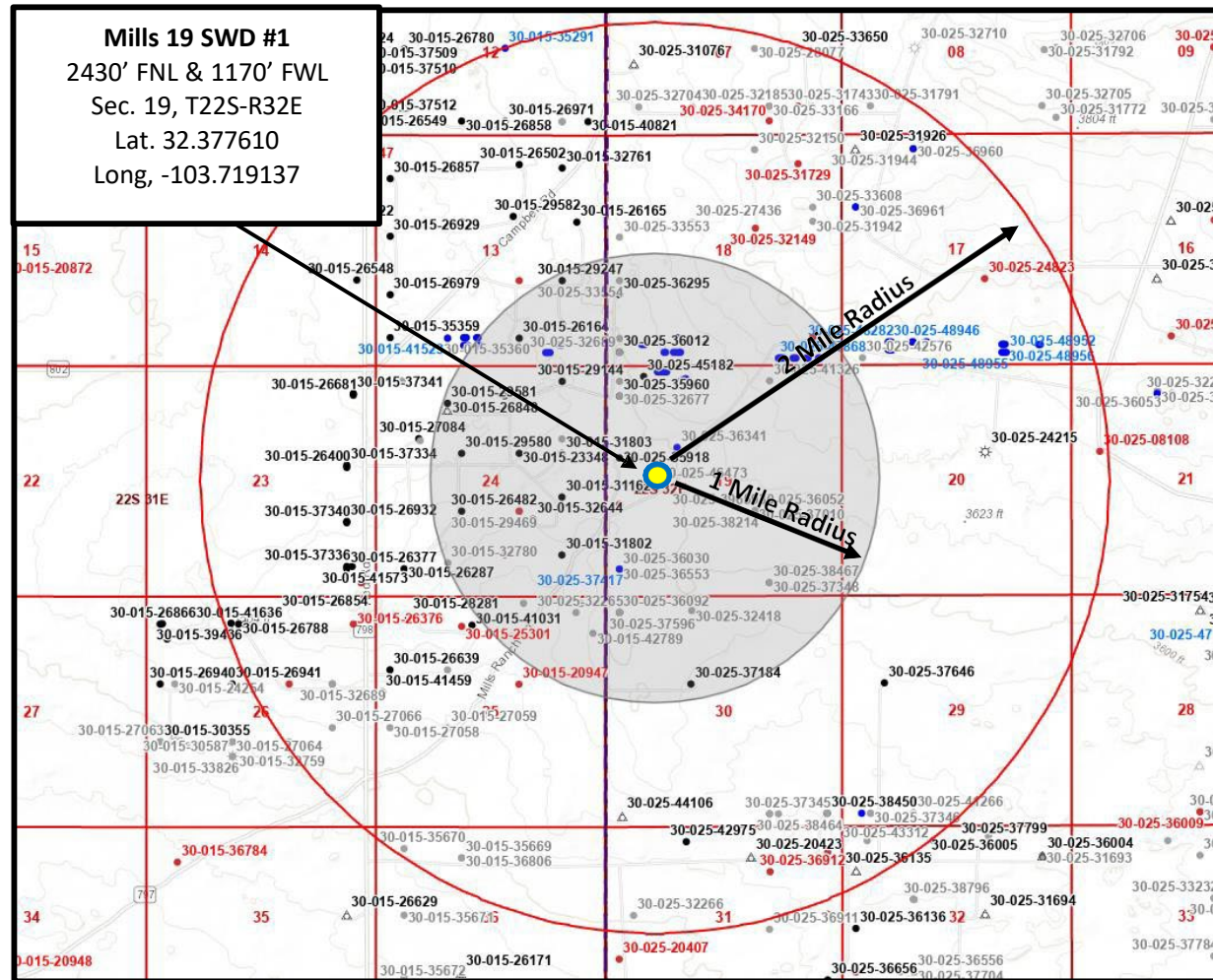
A handwritten signature in blue ink, appearing to read "Whitney McKee".

Whitney McKee
Regulatory Specialist

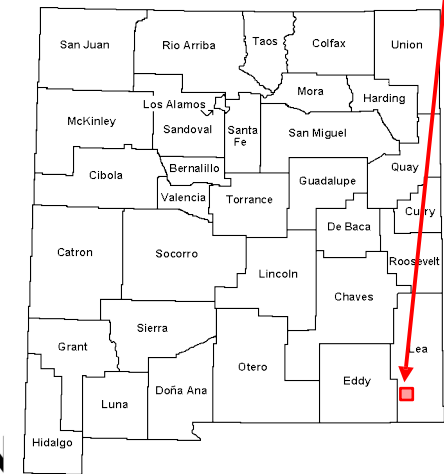
907 Tradewinds Blvd. | Suite B | Midland, Texas 79706

EXHIBIT B

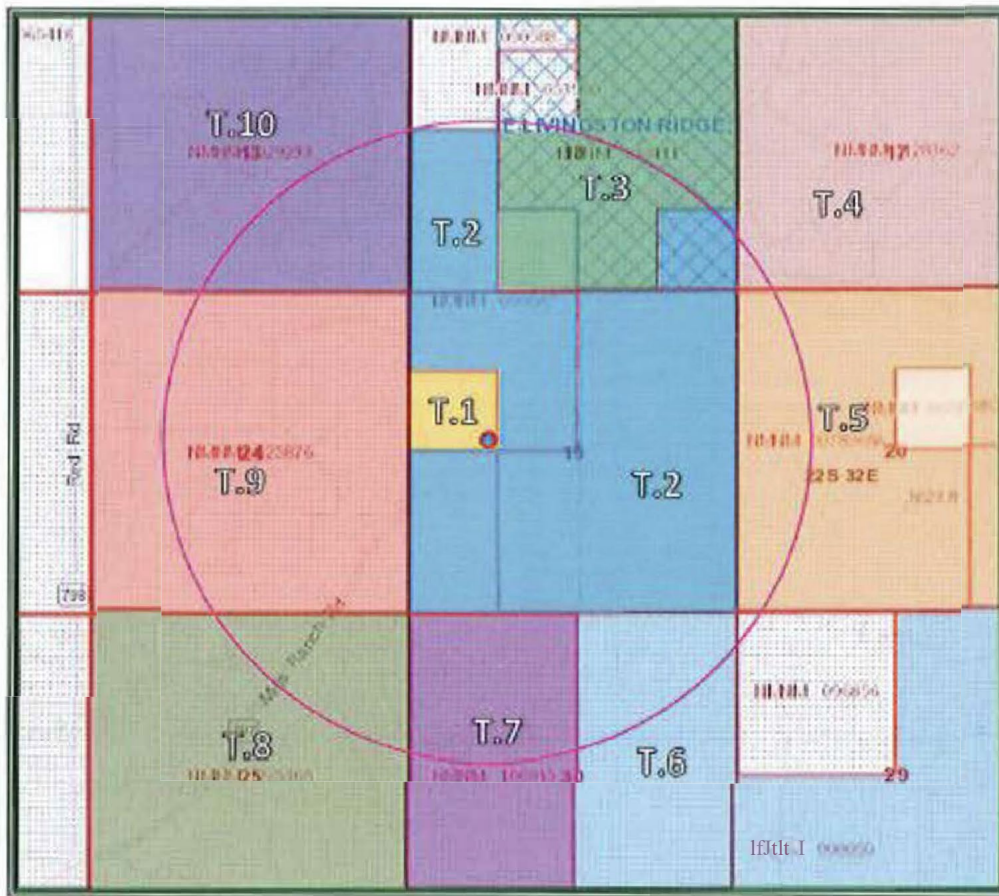
Mills 19 SWD #1 – AOR Overview Map



29 miles southeast of Carlsbad, NM
22 miles northeast of Loving, NM



Lea County, New Mexico

EXHIBIT C**Mills 19 SWD #1- Ownership Plat****LEGEND**

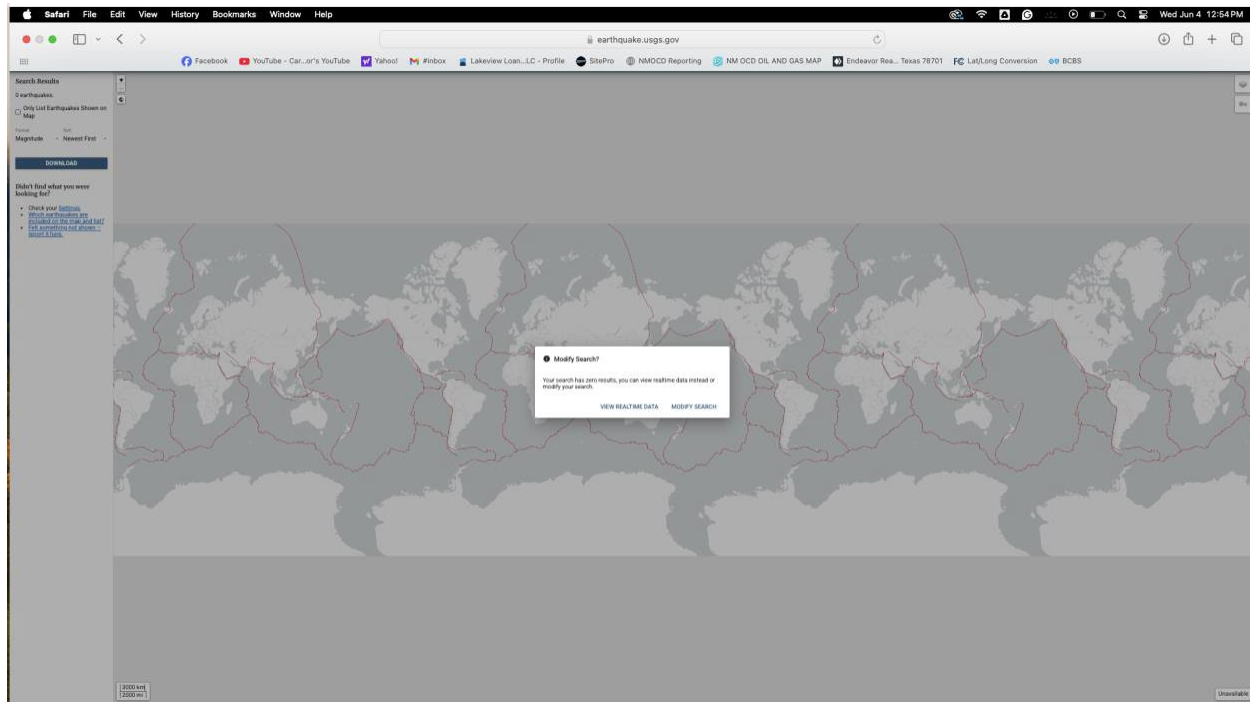
T.1 - Private Mills Ranch	T.6 - NMNM-000000- OxyUSA WTP, LP
T.2 - NMNU-090587 - OxyUSA, Inc.	T.7 - NMNM-106915- OxyUSA, Inc.
T.3 - NMNM-032411- OxyUSA, Inc.	T.8 - NMNM-025365 - OxyUSA, Inc.
T.4 - NMNM-138362- OxyUSA, Inc.	T.8 - NMNM-025876 - Chewoo USA, Inc.
T.5 - NMNM-0078968 - Oxy USA WTP, LP	T.10 - NMNM-029233- OxyUSA, Inc.

EXHIBIT D

Mills 19 SWD #1

Seismic Review – No earthquakes recorded

The screenshot shows the 'Search Earthquake Catalog' web application. The left sidebar contains a navigation menu with options: Home, Earthquakes, Search, Science, Products, Monitoring, Education, Data, Maps, Multimedia, Publications, Web Tools, Software, News, Contact, Partners, and About. The 'Earthquakes' section is currently selected. The main content area is titled 'Search Earthquake Catalog' and includes a search bar and a list of search filters. The filters are organized into three main sections: Basic Options, Advanced Options, and Depth (km). The Basic Options section includes Magnitude (with a dropdown menu), Date & Time (with radio buttons for Past 7 Days, Past 30 Days, and Custom), and Geographic Region (with radio buttons for World, Continental U.S., and Custom). The Advanced Options section includes Geographic Region (with a dropdown menu), Depth (km) (with a dropdown menu), and Review Station (with radio buttons for Any, Automatic, and Reversed). The Depth (km) section includes a dropdown menu for Depth (km) and a dropdown menu for Review Station. The search results section is currently empty, showing a message: 'Your search has zero results. You can view realtime data instead or modify your search.' Below this message are two buttons: 'VIEW REALTIME DATA' and 'MODIFY SEARCH'.



State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan-Grisham
Governor

Melanie A. Kenderdine
Cabinet Secretary

Ben Shelton
Deputy Secretary

Albert Chang
Division Director
Oil Conservation Division



BY ELECTRONIC MAIL ONLY

Enchantment Water, LLC
(OGRID: 329620)
c/o Macie Martin, Infinity Water Solutions
E-mail contact: mmartin@water.energy

RE: Administrative Order SWD-1878 Third Extension of Injection Authority

Well: Mills 19 SWD No. 1, API 30-015-49289

Surface location: 2,430 feet FNL & 1,170 feet FWL, Section 19, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico (Lat: 32.377610, Long: -103.719137 NAD83)

Order Date: August 07, 2022

Injection formations: Devonian formation; 16,207-17,457 feet

Greetings Ms. Martin:

Reference is made to your June 17, 2025, request on behalf of Enchantment Water, LLC (the current "operator") to extend the deadline stipulated in the above titled order to commence injection for the above referenced well for reasons outlined in your correspondence. The current deadline date to commence injection due to a previous Extension of Injection Authority approval is August 8, 2025.

The Oil Conservation Division ("OCD") has reviewed your correspondence which states that since the date of issuance of this permit, no additional wells that penetrate the approved injection interval were drilled in the one-mile Area of Review ("AOR"). Additionally, no new Affected Parties have been identified within the one-mile AOR. Therefore, the extension request could be reviewed administratively for approval.

The OCD finds that for reasons you have stated, the granting of this request to extend this administrative order is in the interest of conservation, will prevent waste, and will protect the environment. Therefore, the deadline to commence injection for the existing order is **hereby extended until August 8, 2026.**

SWD-1878: Third Extension of Injection Authority
Enchantment Water, LLC
Page 2 of 2

All requirements of the above-mentioned administrative order and agreements in the application remain in full force and effect. Any additional extension of the deadline to commence injection for this administrative order will not be considered unless the operator has already commenced drilling of the referenced well. Otherwise, the injection authority shall expire under the terms of the extended administrative order and the operator shall be required to submit a new application to obtain injection authority for the referenced well.



ALBERT CHANG
Division Director

Date: 7/25/2025

AC/elg

cc: Order SWD-1878, API 30-015-49289

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oed/contact-us>

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

CONDITIONS

Action 609157

CONDITIONS

Operator: NEW MEXICO ENERGY MINERALS & NATURAL RESOURCE 1220 S St Francis Dr Santa Fe , NM 87504	OGRID: 264235
	Action Number: 609157
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
stacy.sandoval	None	7/29/2026