

**STATE OF NEW MEXICO**

OFFICE OF THE STATE ENGINEER

District V Office, Aztec, NM

Mike Hamman P.E.
State Engineer100 Gossett Dr., Suite A
Aztec, NM 87410
(505) 383-4571

July 20, 2023

Enduring Resources
6300 S. Syracuse Way, Suite 525
Centennial, CO 80111
Attn: Alex Campbell

RE: Request to de-authorize SJ-4301 POD3 (SE/4 SW/4 Sec 24, T23N R9W, NMPM) as a production well pursuant to NMSA 1978, Sections 72-12-25 through 72-12-28

Dear Mr. Campbell:

This letter concerns the New Mexico Office of the State Engineer (OSE) authorization for production AND the jurisdictional authority for Permit SJ-4301 POD3. On February 8, 2023, Enduring Resources stated via emailed letter (see attached) that they will cease appropriating water from this well and relinquish authority to appropriate water as granted by OSE in a letter dated May 3, 2019.

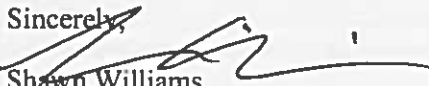
By OCD ORDER Granting UIC Permit SWD-2438-A dated February 5, 2023 (see attached), OCD authorized the use of OSE permitted well SJ-4301 POD3 as an UIC Class II fluids injection well under OCD UIC Permit SWD-2438-A. This UIC permit does have a Special Condition (#1) on page 13 of 14 of said Permit, that the applicant "provide written confirmation of the relinquishment of the Well's authority as a point of diversion..." prior to use of subject well for injection(s).

Therefore, upon this date, July 20, 2023, the New Mexico Office of the State Engineer hereby de-authorizes the use of SJ-4301 POD3 for groundwater diversions.

Please submit the final meter reading and date thereof for SJ-4301 POD3.

If you have any questions, please call me at 505-383-4571.

Sincerely,


Shawn Williams
District V ManagerCC: John Romero, WRAP Director
Jerri Pohl, NMOSE Statewide Projects
Katie Zemlick, NMOSE Hydrology BureauAttachments: Enduring Letter requesting de-authorization of SJ-4301 POD3
UIC Permit SWD-2438-A



COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF REVENUE
OFFICE OF THE COMMISSIONER

STATE OF MASSACHUSETTS
DEPARTMENT OF REVENUE
OFFICE OF THE COMMISSIONER

RECEIVED

OFFICE OF THE COMMISSIONER

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OFFICE OF THE COMMISSIONER
DEPARTMENT OF REVENUE
STATE OF MASSACHUSETTS

NOTICE OF ASSESSMENT
The following is a notice of assessment for the year 2024. The assessment is based on the information provided by the taxpayer and the information available to the Department of Revenue.

OFFICE OF THE COMMISSIONER

It is the policy of the Commonwealth of Massachusetts to provide a fair and equitable tax system. The Department of Revenue is committed to ensuring that all taxpayers are treated fairly and that the tax system is administered in a transparent and efficient manner.

The Department of Revenue has reviewed the information provided by the taxpayer and has determined that the assessment is correct. The taxpayer is hereby notified of the assessment and is given the opportunity to review the assessment and provide any necessary documentation to support the assessment.

The taxpayer is hereby notified that the assessment is final and that the taxpayer is required to pay the amount assessed by the Department of Revenue.

THE COMMISSIONER OF REVENUE

OFFICE OF THE COMMISSIONER

RECEIVED
OFFICE OF THE COMMISSIONER
DEPARTMENT OF REVENUE
STATE OF MASSACHUSETTS

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

ORDER

GRANTING UIC PERMIT SWD-2438-A

Enduring Resources, LLC ("Applicant") filed an Application for Authorization to Inject (Form C-108) ("Application") with the New Mexico Energy, Minerals and Natural Resources Department, Oil Conservation Division ("OCD") to inject produced water at the Applicant's WLU 2309 24N Federal SWD No. 1 ("Well"), as more fully described in Appendix A.

THE OCD FINDS THAT:

1. Applicant provided the information required by 19.15.26 NMAC and the Form C-108 for an application to inject produced water into a Class II Underground Injection Control ("UIC") well.
2. Applicant complied with the notice requirements of 19.15.26.8 NMAC.
3. No person filed a protest on the Application.
4. The Well will inject produced water into the Entrada formation.
5. The produced water injected into the Well will be confined by layers above and below the approved injection interval.
6. The Well was originally approved by the Office of the State Engineer as SJ-4301 POD3 as part of a Notice of Intention under NMSA 1978, § 72-12-26 for five proposed wells with the intent to supply non-potable water for oil and gas exploration and production operations.
7. No other UIC wells which inject or that are authorized to inject produced water into the same approved injection interval are permitted within one mile of the Well.
8. Applicant affirmed in a sworn statement by a qualified person that it examined the available geologic and engineering data and found no evidence of open faults or other hydrologic connections between the approved injection interval and any underground sources of drinking water.
9. Applicant provided water quality sampling for the injection interval that demonstrated total dissolved solids concentrations that exceed 10,000 milligrams per liter which excludes the injection interval from being considered an

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STATE ENGINEER OFFICE
AZTEC, NEW MEXICO

underground source of drinking water under 19.15.2.7(U)(2) NMAC and requiring application of exempted aquifer criteria.

10. Applicant is in compliance with 19.15.5.9 NMAC.
11. Applicant agrees to the Terms and Conditions in the attached Permit.
12. Applicant requested correction in content of SWD-2438 approved on January 11, 2023. OCD concurred with the changes which are contained in this amended order. Permit SWD-2438 is rescinded with approval of this amended order.

THE DIVISION CONCLUDES THAT:

1. OCD has authority under the Oil and Gas Act, NMSA 1978, §§70-2-1 *et seq.*, and its implementing regulations, 19.15.1 *et seq.* NMAC, and under the federal Safe Drinking Water Act, 42 U.S.C. 300f *et seq.*, and its implementing regulations, 40 CFR 144 *et seq.*, to issue this permit for an UIC Class II injection well. *See* 40 CFR 147.1600.
2. Based on the information and representations provided in the Application, the proposed injection, if conducted in accordance with the Application and the terms and conditions of the attached Permit, (a) will not result in waste of oil and gas; (b) will not adversely affect correlative rights; (c) will protect underground sources of drinking water; and (d) will protect the public health and environment.
3. Applicant is authorized to inject subject to the terms and conditions of the Permit.

IT IS THEREFORE ORDERED THAT:

The Applicant be granted UIC Permit SWD-2438-A for the WLU 2309 24N Federal SWD No. 1.



DYLAN M. FUGE
DIRECTOR (ACTING)

Date: 2/5/2023

DMF/prg

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

UIC CLASS II PERMIT SWD-2438-A

APPENDIX A – AUTHORIZED INJECTION

Permittee: Enduring Resources, LLC

OGRID No.: 372286

Well name: WLU 2309 24N Federal SWD No. 1

Surface location: 294 feet from the South line and 2284 feet from the West line (Unit Letter N),
Section 24, Township 23 North, Range 9 West, NMPM, San Juan County
Latitude: 36.205932 °N; Longitude: 107.741568 °W; NAD1983

Bottom hole location (if different): NA

Type of completion: Perforations

Type of injection: Produced water from Permittee production wells

Injection fluid: UIC Class II fluids (produced water)

Injection interval: Entrada Formation

Injection interval thickness (feet): 6,851 feet to 6,990 feet (existing perforations)

Confining layer(s): upper confining layers: Summerville/Wanakah Formation and Todilto
Limestone; lower confining layer: Chinle Group

Prohibited injection interval(s): all formations or intervals not permitted.

Liner, tubing, and packer set: 4.5-inch plastic-lined tubing with a packer set within 100 feet of
the top perforation.

Maximum daily injection rate: 20,000 barrels of water

Maximum surface injection pressure: 1,370 pounds per square inch

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

UIC CLASS II PERMIT SWD-2438-A

Pursuant to the Oil and Gas Act, NMSA 1978, §§70-2-1 *et seq.*, ("Act") and its implementing regulations, 19.15.1 *et seq.* NMAC, ("Rules") and the federal Safe Drinking Water Act, 42 U.S.C. 300f *et seq.*, and its implementing regulations, 40 CFR 144 *et seq.*, the Oil Conservation Division ("OCD") issues this Permit to Enduring Resources, LLC ("Permittee") to authorize the construction and operation of a well to inject produced water at the location and under the terms and conditions specified in this Permit and Appendix A.

I. GENERAL CONDITIONS

A. AUTHORIZATION

1. Scope of Permit. This Permit authorizes the injection of produced water into the well described on Appendix A ("Well"). Any injection not specifically authorized by this Permit is prohibited. Permittee shall be the "operator" of the Well as defined in 19.15.2.7(O)(5) NMAC.

a. Injection is limited to the approved injection interval described in Appendix A. Permittee shall not allow the movement of fluid containing any contaminant into an underground source of drinking water ("USDW") if the presence of that contaminant may cause a violation of a Primary Drinking Water Regulation adopted pursuant to 40 CFR Part 142 or that may adversely affect the health of any person. [40 CFR 144.12(a)]

b. The wellhead injection pressure for the Well shall not exceed the value identified in Appendix A.

c. Permittee shall not commence to drill, convert, or recompleat the Well until receiving this approval and until OCD approves a Form C-101 Application for Permit to Drill ("APD") pursuant to 19.15.14 NMAC or receives an approved federal Form 3160-3 APD for the Well. [40 CFR 144.11; 19.15.14.8 and 19.15.26.8 NMAC]

d. Permittee shall not commence injection into the Well until the Permittee complies with the conditions in Section I. C. of this Permit.

e. This Permit authorizes injection of any UIC Class II fluid or oil field waste defined in 19.15.2.7(E)(6) NMAC.

f. This Permit does not authorize injection for an enhanced oil recovery project as defined in 19.15.2.7(E)(2) NMAC.

2. **Notice of Commencement.** Permittee shall provide written notice on Form C-103 to OCD E-Permitting and notify OCD Engineering Bureau by email of the submittal no later than two (2) business days following the date on which injection commenced into the Well. [19.15.26.12(B) NMAC]

3. **Termination.** Unless terminated sooner, this Permit shall remain in effect for a term of twenty (20) years beginning on the date of issuance. Permittee may submit an application for a new permit prior to the expiration of this Permit. If Permittee submits an application for a new permit, then the terms and conditions of this Permit shall remain in effect until OCD denies the application or grants a new permit.

a. This Permit shall terminate one (1) year after the date of issuance if Permittee has not commenced injection into the Well, provided, however, that OCD may grant a single extension of no longer than one (1) year for good cause shown. Permittee shall submit a written request for an extension to OCD Engineering Bureau no later than thirty (30) days prior to the deadline for commencing injection.

b. One (1) year after the last date of reported injection into the Well, OCD shall consider the Well abandoned, the authority to inject pursuant to this Permit shall terminate automatically, and Permittee shall plug and abandon the Well as provided in Section I. E. of this Permit. Upon receipt of a written request by the Permittee no later than one year after the last date of reported injection into the Well, OCD may grant an extension for good cause. [19.15.26.12(C) NMAC]

B. DUTIES AND REQUIREMENTS

1. **Duty to Comply with Permit.** Permittee shall comply with the terms and conditions of this Permit. Any noncompliance with the terms and conditions of this Permit, or of any provision of the Act, Rules or an Order issued by OCD or the Oil Conservation Commission, shall constitute a violation of law and is grounds for an enforcement action, including revocation of this Permit and civil and criminal penalties. Compliance with this Permit does not relieve Permittee of the obligation to comply with any other applicable law, or to exercise due care for the protection of fresh water, public health and safety and the environment. The contents of the Application and Appendix A shall be enforceable terms and conditions of this Permit. [40 CFR 144.51(a); 19.15.5 NMAC]

2. **Duty to Halt or Reduce Activity to Avoid Permit Violations.** Permittee shall halt or reduce injection to avoid a violation of this Permit or other applicable law. It shall not be a defense in an enforcement action for Permittee to assert that it would have been necessary to halt or reduce injection in order to maintain compliance with this Permit. [40 CFR 144.51(c)]

3. **Duty to Mitigate Adverse Effects.** Permittee shall take all reasonable steps to minimize, mitigate and correct any waste or effect on correlative rights, public health, or the

environment resulting from noncompliance with the terms and conditions of this Permit. [40 CFR 144.51(d)]

4. **Duty to Operate and Maintain Well and Facilities.** Permittee shall operate and maintain the Well and associated facilities in compliance with the terms and conditions of this Permit. [40 CFR 144.51(e)]

5. **Duty to Provide Information.** In addition to any other applicable requirement, Permittee shall provide to OCD by the date and on the terms specified by OCD any information which OCD requests for the purpose of determining whether Permittee is complying with the terms and conditions of this Permit. [40 CFR 144.51(h)]

6. **Private Property.** This Permit does not convey a property right or authorize an injury to any person or property, an invasion of private rights, or an infringement of state or local law or regulations. [40 CFR 144.51(g)]

7. **Inspection and Entry.** Permittee shall allow OCD's authorized representative(s) to enter upon the Permittee's premises where the Well is located and where records are kept for the purposes of this Permit at reasonable times and upon the presentation of credentials to:

- a. Inspect the Well and associated facilities;
- b. Have access to and copy any record required by this Permit;
- c. Observe any action, test, practice, sampling, measurement or operation of the Well and associated facilities; and
- d. Obtain a sample, measure, and monitor any fluid, material or parameter as necessary to determine compliance with the terms and conditions of this Permit. [40 CFR 144.51(i)]

8. **Certification Requirement.** Permittee shall sign and certify the truth and accuracy of all reports, records, and documents required by this Permit or requested by OCD. [40 CFR 144.51(k)]

9. **Financial Assurance.** Permittee shall provide and maintain financial assurance for the Well in the amount specified by OCD until the Well has been plugged and abandoned and the financial assurance has been released by OCD. [40 CFR 144.52; 19.15.8.12 NMAC]

C. PRIOR TO COMMENCING INJECTION

1. Construction Requirements.

- a. Permittee shall construct the Well as described in the Application,

Appendix A and as required by the Special Conditions.

b. Permittee shall construct and operate the Well in a manner that ensures the injected fluid enters only the approved injection interval and is not permitted to escape to other formations or onto the surface.

2. Tests and Reports. Permittee shall complete the following actions prior to commencing injection in the Well.

a. Permittee shall obtain and comply with the terms and conditions of an approved APD prior to commencing drilling of the Well, or other OCD approval, as applicable, prior to converting or recompleting the Well. If the APD is approved by the OCD, the Well shall be subject to the construction, testing, and reporting requirements of 19.15.16 NMAC.

b. Permittee shall circulate to surface the cement for the surface and intermediate casings. If cement does not circulate on any casing string, Permittee shall run a cement bond log ("CBL") to determine the top of cement, then notify the OCD Engineering Bureau and the appropriate OCD Inspection Supervisor and submit the CBL prior to continuing with any further cementing on the Well. If the cement did not tie back into next higher casing shoe, Permittee shall perform remedial cement action to bring the cement to a minimum of two hundred (200) feet above the next higher casing shoe.

c. If a liner is approved for the construction of the Well, Permittee shall run and submit to OCD E-Permitting and notify the OCD Engineering Bureau by email, a CBL for the liner to demonstrate placement cement and the cement bond with the tie-in for the casing string.

d. Permittee shall submit the mudlog, geophysical logs, and a summary of depths (picks) for the contacts of the formations demonstrating that only the permitted formation is open for injection. OCD may amend this Permit to specify the depth of the approved injection interval within the stratigraphic interval requested in the application. If Permittee detects a hydrocarbon show during the drilling of the Well, it shall notify OCD Engineering Bureau by email and obtain written approval prior to commencing injection into the Well.

e. Permittee shall obtain and submit on a Form C-103 a calculated or measured static bottom-hole pressure measurement representative of the completion in the approved injection interval.

f. Permittee shall conduct an initial mechanical integrity test ("MIT") on the Well in compliance with the terms and conditions of this Permit and 19.15.26 NMAC, and shall not commence injection into the Well until the results of the initial MIT have been approved by the appropriate OCD Inspection Supervisor. [19.15.26.11(A) NMAC]

g. OCD retains authority to require a wireline verification of the completion and packer setting depths in this Well. [19.15.26.11(A) NMAC]

D. OPERATION

1. Operation and Maintenance.

a. Permittee shall equip, operate, monitor and maintain the Well to facilitate periodic testing, assure mechanical integrity, and prevent significant leaks in the tubular goods and packing materials used and significant fluid movements through vertical channels adjacent to the well bore. [19.15.26.10(A) NMAC]

b. Permittee shall operate and maintain the Well and associated facilities in a manner that confines the injected fluid to the approved injection interval and prevents surface damage and pollution by leaks, breaks and spills. [19.15.26.10(B) NMAC]

c. OCD may authorize an increase in the maximum surface injection pressure upon a showing by the Permittee that such higher pressure will not result in the migration of the disposed fluid from the approved injection interval or induced seismicity. Such proper showing shall be demonstrated by sufficient evidence, including an acceptable step-rate test.

d. If OCD has reason to believe that operation of the Well may have caused or determined to be contributing to seismic activity, Permittee shall, upon OCD's written request:

i. Take immediate corrective action, which could include testing and evaluating of the injection interval and confining layers; suspending or reducing of the rate of injection or maximum surface injection pressure, or both; and providing increased monitoring of the Well's operation; and

ii. Submit a remedial work plan or an application to modify the Permit to implement the corrective action, plug back the injection interval, or incorporate another modification required by OCD.

OCD may approve the remedial work plan, modify the Permit or issue an emergency order or temporary cessation order as it deems necessary.

2. Pressure Limiting Device.

a. The Well shall be equipped with a pressure limiting device, which is in workable condition and can be tested for proper calibration at the well site,

that shall limit surface tubing pressure to the maximum surface injection pressure specified in Appendix A.

b. Permittee shall test the pressure limiting device and all gauges and other metering requirement to ensure their accuracy and proper function no less than every five (5) years.

3. **Mechanical Integrity.** Permittee shall conduct a MIT prior to commencing injection, at least every five (5) years after the date of the previous MIT, and whenever the tubing is removed or replaced, the packer is reset, mechanical integrity is lost, Permittee proposes to transfer the Well, or requested by OCD.

a. MITs shall be conducted in accordance with 19.15.26 NMAC.

b. Permittee shall submit a sundry notice on Form C-103 of intent to install or replace injection equipment or conduct a MIT no later than three (3) business days prior to the event.

c. Permittee shall report the result of a MIT no later than two (2) business days after the test.

d. Permittee shall cease injection and shut-in the Well no later than twenty-four (24) hours after discovery if:

i. The Well fails a MIT; or

ii. Permittee observes conditions at the Well that indicate the mechanical failure of tubing, casing, or packer.

e. Permittee shall take all necessary actions to address the effects resulting from the loss of mechanical integrity in accordance with 19.15.26.10 NMAC.

f. Permittee shall conduct a successful MIT pursuant to 19.15.26.11 NMAC, including written approval from OCD prior to recommencing injection and the requirements contained in Section I G.3.

4. **Additional Tests.** Permittee shall conduct any additional test requested by OCD, including but not limited to step-rate tests, tracer surveys, injection surveys, noise logs, temperature logs, and casing integrity logs [19.15.26.11(A)(3) NMAC]

5. Records.

a. Permittee shall retain a copy of each record required by this Permit for a period of at least five (5) years and shall furnish a copy to OCD upon request. [40 CFR 144.51(h)]

b. Permittee shall retain a record of each test, sample, measurement, and certification of accuracy and function collected for the Well, including:

i. Date, location, and time of sample, measurement or calibration;

ii. Person who conducted the sample event, measurement or calibration;

iii. Calibration of gauge or other equipment in accordance with the manufacturer's specifications;

iv. Description of method and procedures;

v. Description of handling and custody procedures; and

vi. Result of the analysis.

E. PLUGGING AND ABANDONMENT

1. Upon the termination of this Permit, Permittee shall plug and abandon the Well and restore and remediate the location in accordance with 19.15.25 NMAC.

2. If Permittee has received an extension pursuant to Section I. A. 2. b., Permittee shall apply for approved temporary abandonment pursuant to 19.15.25 NMAC.

3. If this Permit expires pursuant to 19.15.26.12 NMAC and OCD has not issued a new permit, then Permittee shall plug and abandon the Well and restore and remediate the location in accordance with 19.15.25 NMAC.

4. Permittee's temporary abandonment of the Well shall not toll the abandonment of injection in accordance with 19.15.26.12(C) NMAC.

F. REPORTING

1. **Monthly Reports.** Permittee shall submit a report using Form C-115 using the OCD's web-based online application on or before the 15th day of the second month following the month of injection, or if such day falls on a weekend or holiday, the first workday following the 15th, with the number of days of operation, injection volume, and injection pressure. [19.15.26.13 NMAC; 19.15.7.24 NMAC]

2. **Corrections.** Permittee shall promptly disclose to OCD any incorrect information in the Application or any record required by this Permit and submit corrected information. [40 CFR 144.51(h)(8)]

G. CORRECTIVE ACTION

1. **Releases.** Permittee shall report any unauthorized release of injection fluid at the Well or associated facilities in accordance with 19.15.29 and 19.15.30 NMAC.

2. **Failures and Noncompliance.** Permittee shall report the following incidents to appropriate OCD Inspection Supervisor and OCD Engineering Bureau verbally and by e-mail no later than 24 hours after such incident:

a. Any mechanical integrity failures identified in Section I. D. 3. d;

b. The migration of injection fluid from the injection interval [19.15.26.10 NMAC]; or

c. A malfunction of the Well or associated facilities that may cause waste or affect the public health or environment, including: (a) monitoring or other information which indicates that a contaminant may affect a USDW; or (b) noncompliance or malfunction which may cause the migration of injection fluid into or between USDWs. [40 CFR 144.51(l)(6)]

3. **Corrective Action.** Permittee shall submit a written report describing the incident in Sections I.G.1 or I.G.2, including a corrective active plan, no later than five (5) calendar days after discovery of the incident. [40 CFR 144.51(l)(6)] For an unauthorized release, Permittee also shall comply with the site assessment, characterization and remediation requirements of 19.15.29 and 19.15.30 NMAC.

4. **Restriction or Shut-In.** OCD may restrict the injected volume and pressure or shut-in the Well if OCD determines that the Well has failed or may fail to confine the injected fluid to the approved injection interval or has caused induced seismicity until OCD determines that Permittee has identified and corrected the failure. [19.15.26.10(E) NMAC]

H. PERMIT CHANGES

1. **Transfer.** This Permit shall not be transferred without the prior written approval of OCD. Permittee shall file Form C-145 for a proposed transfer of the Well. OCD may require, as a condition of approving the transfer, that this Permit be amended to ensure compliance and consistency with applicable law. If the Well has not been spud prior to the transfer, the OCD may require that the new operator reapply and submit to the OCD a new Form C-108 prior to constructing and injecting into the well. [19.15.26.15 NMAC; 19.15.9.9 NMAC]

2. **Insolvency.** Permittee shall notify OCD Engineering Bureau of the commencement of a voluntary or involuntary proceeding in bankruptcy which names Permittee or an entity which operates the Well on behalf of Permittee as a debtor no later than ten (10) business days after the commencement of the proceeding.

3. **OCD Authority to Modify Permit and Issue Orders**

a. The OCD may amend, suspend, or revoke this Permit after notice and an opportunity for hearing if it determines that:

- i. The Permit contains a material mistake;
- ii. Permittee made an incorrect statement on which OCD relied to establish a term or condition of the Permit or grant this Permit;
- iii. this Permit must be amended to ensure compliance and consistency with applicable law, including a change to the financial assurance requirements;
- iv. The Well's operation may affect the water quality of fresh water;
- v. Injected fluid is escaping from the approved injection interval;
- vi. Injection may be caused or contributed to seismic activity; or
- vii. Injection may cause or contribute to the waste of oil, gas or potash resources or affect correlative rights, public health, or the environment.

b. OCD retains jurisdiction to enter such orders as it deems necessary to prevent waste and to protect correlative rights, protect public health, and the environment.

c. OCD retains jurisdiction to review this Permit as necessary and no less than once every five (5) years, and may determine whether this Permit should be modified, revoked and reissued, or terminated. [40 CFR 144.36(a)]

4. **Permittee Request to Modify Permit.** Permittee may apply to modify the terms of this Permit.

a. **Minor Modifications.** OCD may make a minor modification to this Permit without notice and an opportunity for hearing for:

- i. Non-substantive changes such as correction of typographical errors;
- ii. Requirements for more frequent monitoring or reporting;
- iii. Changes to the Well construction requirements provided that any alteration shall comply with the conditions of the Permit and does not change the Area of Review considered in the application for the Permit;
- iv. Amendments to the plugging and abandonment plan;
- v. Changes in the types of fluids injected which are consistent with sources listed in the application for the Permit and do not change the classification of the Well;
- vi. Corrections of the actual injection interval if within the approved formation; or
- vii. Transfer of a Permit for a Well that has been spud. [40 CFR 144.41]

b. **Major Modifications.** OCD shall require notice and an opportunity for hearing for any modification that is not minor. For such modifications, Permittee shall submit Form C-108 and comply with the notice requirements of 19.15.26 NMAC.

II. SPECIAL CONDITIONS

Permittee shall comply with the following special conditions and exceptions to the permit:

1. Permittee shall provide written confirmation of the relinquishment of the Well's authority as a point of diversion to the OCD Engineering Bureau prior to commencing injection into the Well. Failure to provide this confirmation or any future use of the Well as a water supply well shall void *ipso facto* the injection authority under the Permit.
2. Modification of Permit Terms and Conditions:
 - I. General Conditions, A. Authorization, 1. Scope of Permit, c.

The Well was completed under the authority of the OSE. Therefore, the Permittee shall apply for a federal Application for Permit to Drill ("APD") with the Bureau of Land Management ("BLM"). If the BLM determines that an APD is not required, then the Permittee shall apply with the OCD using Form C-101 Drilling Non-Federal/Indian APD.

3. Modification of Permit Terms and Conditions:

I. General Conditions, C. Prior to Commencing Injection, 2. Tests and Reports, a.

The requirements for testing of cement and casing shall be modified through the submission of all well construction information provided to the OSE for the Well. This includes casing testing, cement work summaries, daily summaries, and all similar completion documents.

4. Modification of Permit Terms and Conditions:

I. General Conditions, C. Prior to Commencing Injection, 2. Tests and Reports, d.

The requirement for a mudlog is waived. However, Permittee shall submit all logs (including geophysical and CBLs) obtained during the Well's construction and/or previously submitted to the OSE.

5. Modification of Permit Terms and Conditions:

I. General Conditions, C. Prior to Commencing Injection, 2. Tests and Reports, e.

The requirement for bottomhole information contained in this section is waived.

III. ATTACHMENT

Well Completion Diagram as provided in the C-108 Application dated September 12, 2022.

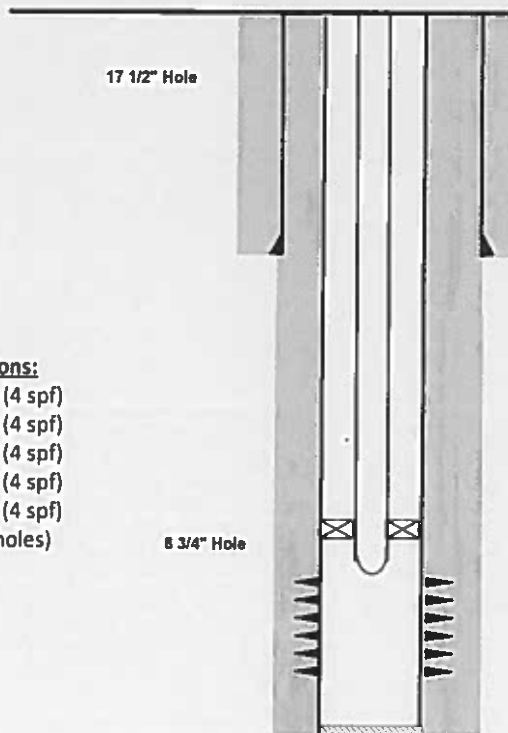
W Lybrook Unit 2309-24N Proposed

Lat: 36.205932 N Long: 107.741568 W
 Entrada
 SE/4, SW/4, Section 24, TWP 23N, Rng 09W
 County: Sandoval NM
 Elevation: 6893' KB

Spud Date: 01/03/19
 Completion Date: 02/07/19

Created By: TJOYCE
 Modified By: M WARP (8/19/19)
 Modified By: M WARP (9/06/19)
 Modified By: C Longwell (9/7/22)

Current Wellbore



13 3/8\" Surface 54.5# J55 @ 397'.
 Circulated cmt to surface w/ 440 sx
 Type G cmt. BURST = 2730 psi.

7\" Production 26# L-80 to 7,398' (LT&C).
 PBTD = 7,307.6'. Displacement. Burst 7\"
 26# L-80 LT&C = 7240 psi burst.
 Pumped 80 bbls tuned spacer & 184 bbls
 lead cmt (525 sxs) @ 12.3 PPG, followed by
 102 bbls tail cmt @ 13.3 ppg. Dropped
 plug & disp w/ 279 bbls H2O, bumped plug,
 circ 52 bbls good cmt to surface. Floats
 held.

BHA Detail: (9/30/2019)
 4 1/2\" plastic lined tubing
 7\" x 4 1/2\" AS1-X Packer at 6,810'

Perforations:

6851'-6856' (4 spf)
 6895'-6900' (4 spf)
 6912'-6917' (4 spf)
 6953'-6958' (4 spf)
 6985'-6990' (4 spf)
 (100 total holes)

8 3/4\" Hole

**ENDURING RESOURCES**

6300 S. Syracuse Way, Suite 525 • Centennial, Colorado 80111
Telephone: 303 573 1222 Facsimile: 303 573 0461

February 8, 2023
Mr. Shawn Williams
District V Office Manager
Office of the New Mexico State Engineer
100 Gossett Dr., Suite A
Aztec, NM 87410
Via Certified Mail and Email: Shawn.Williams@OSE.NM.GOV

Re: Relinquishment of Authority to Appropriate Water: SJ-4301 POD3

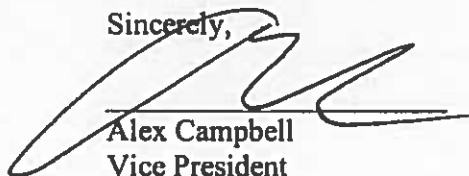
Dear Mr. Williams,

I hope this letter finds you well.

On May 3, 2019, you signed a letter issued pursuant to NMSA 1978 § 72-12-25 – 72-12-28 that authorized Enduring Resources IV, LLV ("Enduring") to appropriate water from the well known as SJ-4301 POD3. A copy of that letter is attached. By this letter, I am informing you of the decision of Enduring to immediately cease appropriating water from the above-referenced well and to relinquish the authority granted to Enduring by your letter of May 3, 2019.

Please do not hesitate to contact me should you have any questions.

Sincerely,



Alex Campbell
Vice President

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 346853

CONDITIONS

Operator: NEW MEXICO ENERGY MINERALS & NATURAL RESOURCE 1220 S St Francis Dr Santa Fe , NM 87504	OGRID: 264235
	Action Number: 346853
	Action Type: [IM-SD] Well File Support Doc (ENG) (IM-AWF)

CONDITIONS

Created By	Condition	Condition Date
pgoetze	None	5/22/2024