

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

Adrienne Sandoval, Director
Oil Conservation Division



July 16, 2021

Milestone Environmental Services, LLC (OGRID 328435)
c/o Wayne Price
E-mail contact: wayneprice@q.com

RE: Hearing Order R-21441; Extension of Deadline to Inject

Well: Beaza SWD Well No. 1 (API 30-025-Pending)
Located: Unit H, Sec 25, T24S, R34E, NMPM, Lea County, New Mexico
Order Date: August 20, 2020
Injection formations: Bell Canyon and Cherry Canyon formations; 5,497 feet to 7,240 feet

Dear Mr. Price:

Reference is made to your July 8, 2021 request on behalf of Milestone Environmental Services, LLC (the "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 under said order is one year after issuance of the order: August 20, 2021.

It is the Division's understanding from your correspondence 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 in the AOR. Therefore, the extension request could be reviewed administratively for approval.

The Division finds that for reasons you have stated, the granting of this request to extend this hearing 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 20, 2023.

All requirements of the above referenced hearing order and agreements in the application remain in full force and effect. Any additional extension of the deadline to commence injection for this hearing 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 hearing order and the operator shall be required to submit a new application to obtain injection authority for the referenced well.

A handwritten signature in black ink, appearing to read "Adrienne", is written over a horizontal line.

ADRIENNE SANDOVAL
Director

AS/bl

cc: Oil Conservation Division – Hobbs District Office
Bureau of Land Management – Carlsbad Field Office
Order R-21441; Case No. 20657

From: [Wayne Price](#)
To: [Engineer, OCD, EMNRD](#)
Cc: [Wayne Price](#); [Lamkin, Baylen, EMNRD](#); [Goetze, Phillip, EMNRD](#); [steve Bills](#); [Griswold, Jim, EMNRD](#)
Subject: Re: Milestone SWD Order R-21441: Request for Extension
Date: Thursday, July 8, 2021 6:55:19 PM
Attachments: [R-21441 extension request.pdf](#)

July 8, 2021

Dear OCD Engineer: Request for Extension Document Requirements are marked in Red: PDF attached for filing.

On Feb 23, 2021, at 9:23 AM, Goetze, Phillip, EMNRD
<Phillip.Goetze@state.nm.us> wrote:

Wayne:

Hope you are doing well and did not get hit hard by the last Polar express. We are finally at a point where we can process the Milestone request for extension. It is required that Milestone (or it's agent) provide information for the extension to be approved. Your prior e-mail has already provide the written notice for the extension prior to the deadline for injection to commence so that requirement is satisfied under the terms of the order.

Extension Document Requirements:

Submit a letter that includes the following information:

1. Pertinent well info: Well name, API number, location, SWD order no., approved interval, order date, type (ER or Disposal).

Beaza SWD Well #1; API 30-025-Pending; H-Sec 25-Ts-24S-R34E Lea Ct NM; R-21441; Bell Canyon and Cherry Canyon formations (of the Delaware Mountain Group) from approximately 5,497 feet to 7,240 feet below surface (the ?permitted injection interval?); Aug 20, 2020; Disposal.

2. A statement describing the need for the extension and the length of the extension (typically in one-year/six-month intervals).

Due to the Covid pandemic and a moratorium on drilling on Federal Lands, this imposed a delay in the proposed business model. Request a two year extension.

3. A statement on ?affected persons? notified during the original application using the original AOR of the application. If new ?affected person? are discovered, then a new written notice with application will be sent to those parties and

permittee must provide documentation of notice; new affect party has the opportunity for protest within the 15-day period described in rule.

NA-No new affected persons know at this time.

4. A statement regarding any changes in the AOR wells which penetrate the injection interval. If they have not changed (no further action required) or if there are new wells, the permittee must provide the information on the new AOR wells including details of well construction.

No further action required.

5. A statement on schedule for the completion of well.

Milestone anticipates normal oilfield operations will resume within a year and hopefully will complete the SWD well and Surface Waste Management Facility within two years.

When completed, please send a PDF version to the Bureau's e-mail [Engineer, OCD, EMNRD OCD.Engineer@state.nm.us] and copy Mr. Lamkin also. If you have any questions about this request, please contact us at your convenience. PRG

From: Wayne Price <wayneprice@q.com>
Sent: Wednesday, September 30, 2020 11:20 AM
To: Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>; Griswold, Jim, EMNRD <Jim.Griswold@state.nm.us>
Cc: Wayne Price <wayneprice@q.com>; steve Bills <stevebills@milestone-es.com>
Subject: [EXT] Re: Milestone SWD Order R-21441 Request for Extension

Dear Phil,

Have not received any feedback from you in a while. The one year time frame is not enough for us to complete our plans.

On Sep 4, 2020, at 11:38 AM, Wayne Price <wayneprice@q.com> wrote:

Dear Phil,

On behalf of Milestone, we are hereby requesting an administrative approval for a one year extension to the SWD Order R-21441 with a new termination date of August 20, 2022.

The current conditions and contract delays from our customers is reason for the extension.

Sincerely,

Wayne Price-Price LLC
7 SYCAMORE LANE
GLENWOOD NM 88039
wayneprice@q.com
505-715-2809

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Re: Milestone SWD Order R-21441: Request for Extension

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To: OCD.Engineer@state.nm.us

Cc: [Wayne Price](#) [Lamkin, Baylen, EMNRD](#) phillip.goetze@state.nm.us [steve Bills](#)

Subject: Re: Milestone SWD Order R-21441: Request for Extension

Signature: Signature #3

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

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/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 556913

CONDITIONS

Operator: NEW MEXICO ENERGY MINERALS & NATURAL RESOURCE 1220 S St Francis Dr Santa Fe , NM 87504	OGRID: 264235
	Action Number: 556913
	Action Type: [IM-SD] Well File Support Doc (ENG) (IM-AWF)

CONDITIONS

Created By	Condition	Condition Date
pgoetze	None	2/23/2026