Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary Adrienne Sandoval, Director Oil Conservation Division



Todd E. Leahy, JD, PhD Deputy Secretary

October 20, 2020

NGL Water Solutions Permian, LLC (OGRID 322338) c/o Joseph Vargo

RE: <u>Administrative Order SWD-1765: Extension of Deadline to Inject</u> Well: Mel SWD Federal Well No. 1 (API 30-025-45670) Located: Unit D, Sec 23, T25S, R32E, NMPM, Lea County, New Mexico Order Date: March 05, 2019 Injection formations: Devonian and Silurian formations; 17300 feet to 18500 feet

Dear Mr. Seay:

Reference is made to your November, 14 2019 request on behalf of NGL Water Solutions Permian, 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 deadline date to commence injection under said order was one year after issuance of the order: March 5, 2021. However, the request for extension was received by the Division prior to the injection deadline and will therefore be recognized.

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, one new affected party was identified in the AOR, who was subsequently notified of the extension request and the party did not protest the extension. 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 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 <u>March 5, 2020</u>.

All requirements of the above referenced 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.



ADRIENNE SANDOVA Director

AS/dhr cc: Oil Conservation Division - Hobbs District Office Order SWD-1765