

Additional Information

Information for 2nd extension
request 7/7/2021



July 7, 2021

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 8, 2020 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, 2021. 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, 2021 to commence injection for the hereinabove referenced well.

It is important to note that since May 28, 2020 (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

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 8, 2020

Solaris Water Midstream, LLC (OGRID 371643)
c/o Whitney McKee
E-mail contact: whitney.mckee@solarismidstream.com

RE: Administrative Order SWD-1878; Extension of Deadline to Inject
Well: Mills 19 SWD Well No. 1 (API 30-025-Pending)
Located: Unit E, Sec 19, T22S, R32E, NMPM, Lea County, New Mexico
Order Date: July 29, 2019
Injection formations: Devonian formation; 16,207 feet to 17,457 feet

Dear Ms. McKee:

Reference is made to your May 28, 2020 request on behalf of Solaris Water Midstream, 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: July 29, 2020.

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, two new affected parties have been identified in the AOR and have been notified of the extension request. 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 July 29, 2021.

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.

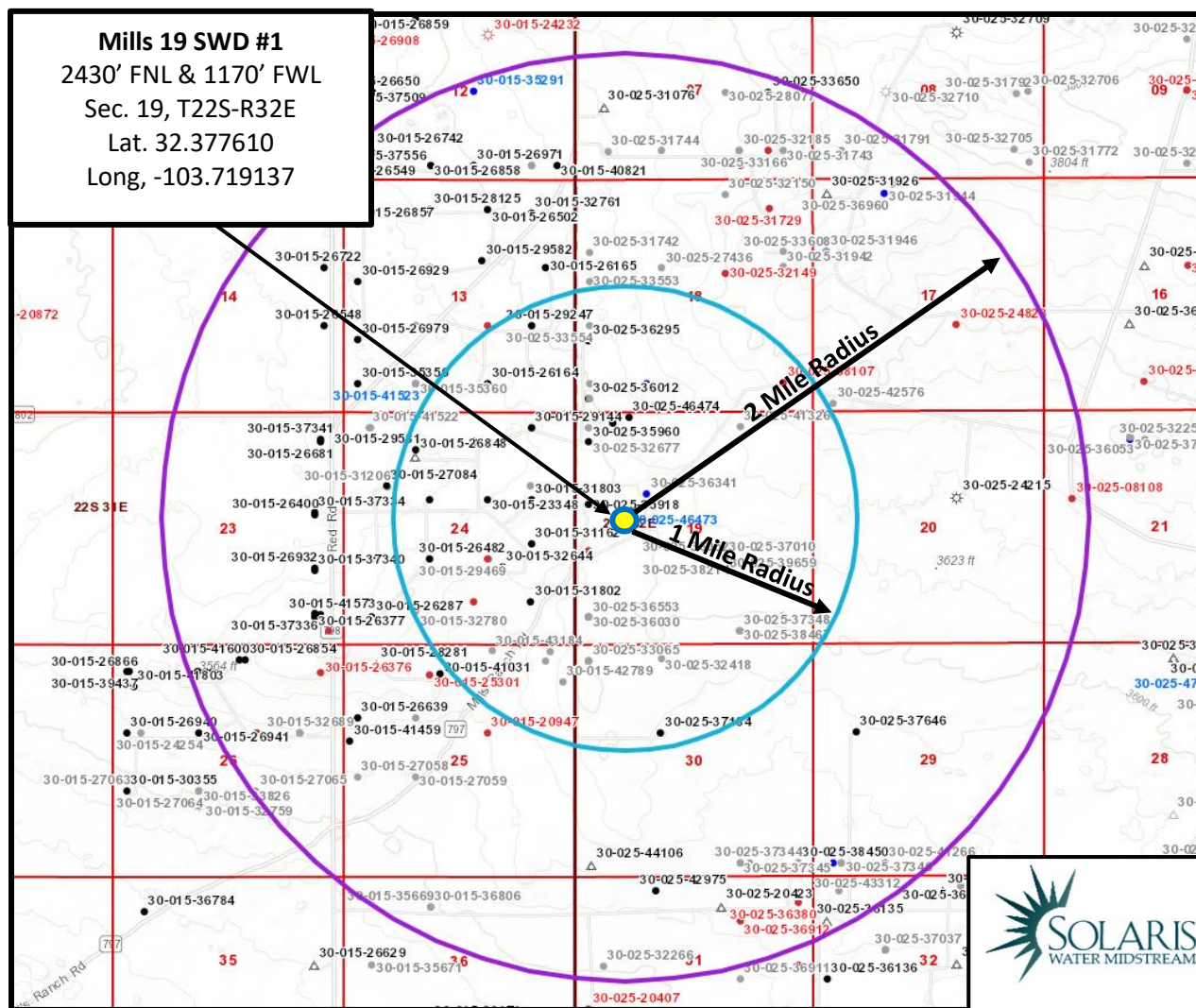
ADRIENNE SANDOVAL
Director

AS/bl

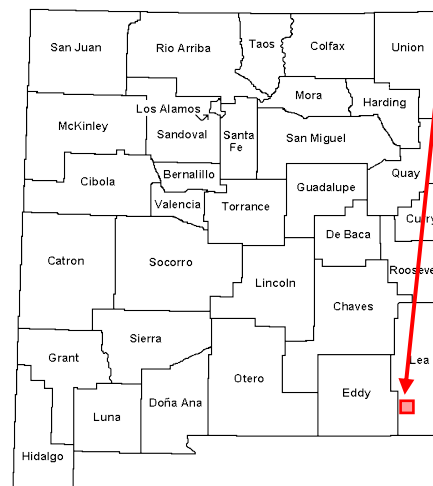
cc: Bureau of Land Management - Carlsbad Field Office
Oil Conservation Division - Hobbs District Office
Order SWD-1878

EXHIBIT "B"

Mills 19 SWD #1 – AOR Overview Map



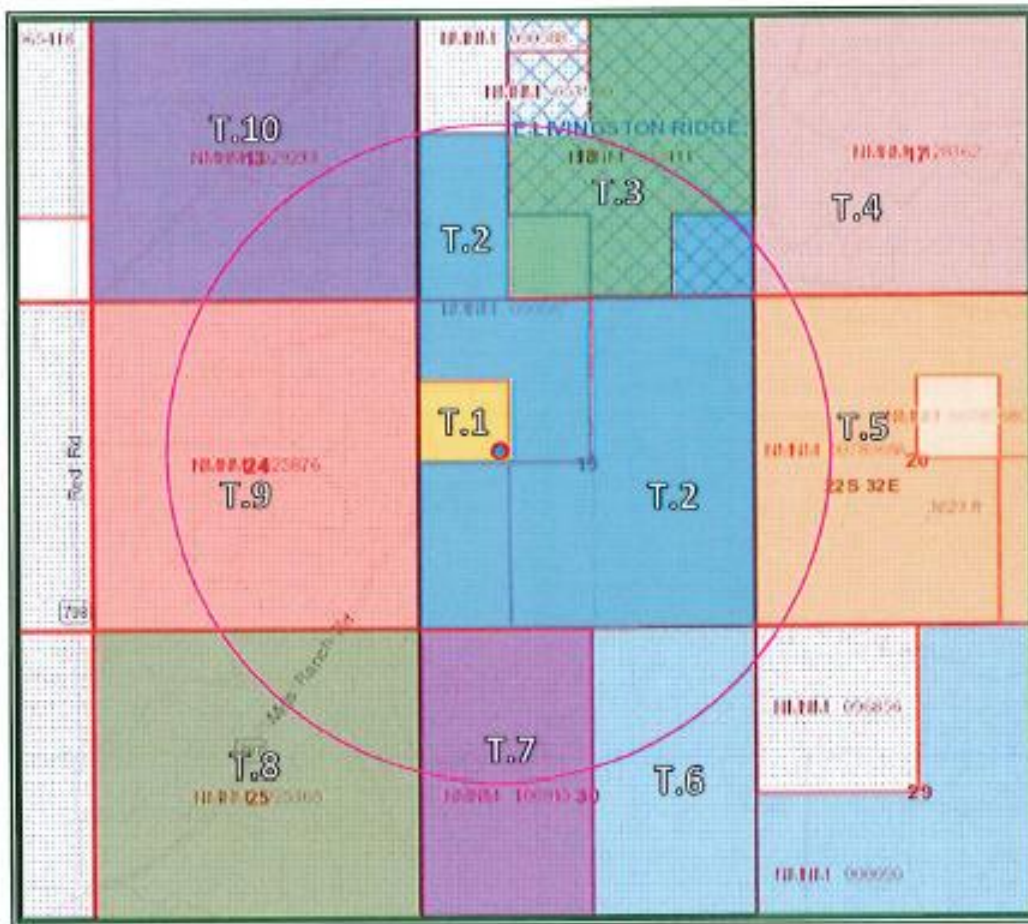
29 miles southeast of Carlsbad, NM
 22 miles northeast of Loving, NM



Lea County, New Mexico

EXHIBIT "C"

Mills 19 SWD #1 – Ownership Plat



LEGEND

T.1 – Private – Mills Ranch	T.6 – NMNM-000090 – Oxy USA WTP, LP
T.2 – NMNM-090587 – Oxy USA, Inc.	T.7 – NMNM-106915 – Oxy USA, Inc.
T.3 – NMNM-032411 – Oxy USA, Inc.	T.8 – NMNM-025365 – Oxy USA, Inc.
T.4 – NMNM-138362 – Oxy USA, Inc.	T.9 – NMNM-025876 – Chevron USA, Inc.
T.5 – NMNM-0078968A – Oxy USA WTP, LP	T.10 – NMNM-029233 – Oxy USA, Inc.