

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



Administrative Order SWD-1846
April 16, 2019

**ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION**

Pursuant to the provisions of Division Rule 19.15.26.8(B) NMAC, Black River Water Management Company, LLC (the “operator”) seeks an administrative order for its Faulk SWD Well No. 7 (the “proposed well”) with a location of 161 feet from the South line and 515 feet from the East line, Unit letter P of Section 32, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico, for the purpose of commercial disposal of produced water.

THE DIVISION DIRECTOR FINDS THAT:

The application has been duly filed under the provisions of Division Rule 19.15.26.8(B) NMAC and satisfactory information has been provided that affected parties have been notified and no objections have been received within the prescribed waiting period. The applicant has presented satisfactory evidence that all requirements prescribed in Division Rule 19.15.26.8 NMAC have been met and the operator is in compliance with Division Rule 19.15.5.9 NMAC.

Application for Disposal in the Devonian Formation: Due to the potential for the projected injection volume of the proposed well to impact an area greater than the one-half mile radius applied in Division Form C-108 and Division rule, the applicant has provided the following supplementary information:

1. Notification following Division Rule 19.15.26.8(B) NMAC for a radius of one mile from the surface location of the proposed well;
2. An expanded Area of Review for wells penetrating the disposal interval for a radius of one mile from the surface location of the proposed well; and
3. A statement by a qualified person assessing the potential of induced-seismic events associated with the disposal activities for the predicted service life of the proposed well.

IT IS THEREFORE ORDERED THAT:

The applicant, Black River Water Management Company, LLC (OGRID 371287), is hereby authorized to utilize its Faulk SWD Well No. 7 (API 30-015-45442) with a location of 161 feet from the South line and 515 feet from the East line, Unit letter P of Section 32, Township 22 South, Range 28 East, NMPM, Eddy County, for disposal of oil field produced water (UIC Class II only) through open-hole completion into an interval consisting of the Devonian formation from approximately 13786 feet to approximately 14611 feet. Injection will occur through internally-

abandoned, and the authority to dispose will terminate *ipso facto*. The Division, upon written request mailed by the operator prior to the termination date, may grant an extension thereof for good cause.

Compliance with this order does not relieve the operator of the obligation to comply with other applicable federal, state or local laws or rules, or to exercise due care for the protection of fresh water, public health and safety and the environment.

Jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the disposal authority granted herein.



Adrienne Sandoval
Director

AES/mam

cc: Oil Conservation Division – Artesia District Office
Well file 30-015-45442

Attachment: C-108 well completion diagram