

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
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Deputy Secretary

Adrienne Sandoval, Director
Oil Conservation Division



January 29, 2021

NGL Water Solutions Permian, LLC (OGRID 372338)

c/o Joseph Vargo

E-mail contact: Joseph.Vargo@nglep.com

RE: Hearing Order R-20882; Extension of Deadline to Inject

Well: Osprey SWD Well No. 1 (API 30-025-Pending)

Located: Unit M, Sec 25, T25S, R35E, NMPM, Lea County, New Mexico

Order Date: September 23, 2019

Injection formations: Devonian and Silurian formation; 18,114 feet to 20,109 feet

Dear Mr. Vargo:

Reference is made to your July 7, 2020 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: September 23, 2020.

It is the OCD'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 party has been identified in the AOR. Therefore, the extension request could be reviewed administratively for approval.

The OCD 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 September 23, 2021.

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 'AS', written over a horizontal line.

ADRIENNE SANDOVAL
Director

AS/bl

cc: Oil Conservation Division - Hobbs District Office
Bureau of Land Management - Carlsbad Office
Order R-20882