

East Hobbs San Andres Unit CO₂ Project Water Fill-up Costs

Scenario	Total Cost for 2 Year Fill-up Capital and Operating Costs	Failure Case Total Cost for 1/2 Year Fill-up Capital and Operating Costs	Project Delay -Months-	Explanation
Fresh Water From City for 2 Years	\$1,413,280	\$710,449	0	Marginal project at current oil price. Minimum capital exposure in failure case.
Trucked Devonian Water 13.75 Miles	\$13,324,779	\$3,646,293	0	Uneconomic project. Water incompatible. No Road damage cost included (105,120 trips).
Piped Devonian Water 9.25 Miles	\$5,321,627	\$3,516,128	9	Breakeven project. Water incompatible. Right of Way not researched. Route may be longer.
Water from Glorieta New Wells	\$15,181,648	\$12,756,799	9	Uneconomic project. 11 new wells and infrastructure required. No long term Glorieta tests available.
Injection of CO ₂ Only Fill-up	\$25,170,477	\$17,073,084	9	Uneconomic project. 18 MMscfd 2 year CO ₂ contract required. Loss of base oil production value considered.
City Greywater for 2 Years	\$3,494,420	\$2,098,069	9	Breakeven project. Project most likely further delayed by City Effluent Water Master plan.

BEFORE THE OIL CONSERVATION
COMMISSION
Santa Fe, New Mexico
Exhibit No. 3
Submitted by: Linn Operating
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