From:	Thompson, Hailee, EMNRD
То:	jimmiecooper@valornet.com
Subject:	IMPORTANT, NOTICE OF LOSS OF INJECTION AUTHORITY
Date:	Thursday, January 11, 2024 3:56:00 PM
Attachments:	Notice - Loss of Injection - Oasis Water Solutions LLC.pdf image001.png

Dear Operator,

Please read this email as it contains important information regarding well(s) under the supervision of (Oasis Water Solutions LLC).

This email has been sent to inform you that the **injection authority** pertaining to one or more disposal well(s) has been lost. The failure to report disposal for longer than 12 consecutive months is defined as abandonment of injection authority and the well(s) must immediately be shut-in and disconnected from incoming source of disposal.

Attached to this email is a formal notice letter stating which wells are out of compliance and what the necessary steps are to regain injection authority.

OCD retains the authority to require an audit of submitted data; however, OCD will consider voluntary compliance with this request when reviewing any required supplemental filing or resulting compliance action. If you have any questions, please do not hesitate to contact Phillip Goetze, UIC Group Manager, at 505-660-8274 or phillip.goetze@emnrd.nm.gov.

Thank you,

Hailee Thompson | Petroleum Specialist

E: <u>Hailee.Thompson@emnrd.nm.gov</u> | T: 505.699.3713



Engineering Buruea <u>EMNRD | Oil Conservation Division</u> 8801 Horizon Blvd, Suite 260 Albuquerque, New Mexico 87113
 From:
 Thompson, Hailee, EMNRD

 To:
 Skrien, Sarah, EMNRD

 Subject:
 FW: IMPORTANT, NOTICE OF LOSS OF INJECTION AUTHORITY

 Date:
 Friday, January 19, 2024 2:45:52 PM

From: Microsoft Outlook <MicrosoftExchange329e71ec88ae4615bbc36ab6ce41109e@state.nm.us> Sent: Thursday, January 11, 2024 3:57 PM To: Thompson, Hailee, EMNRD Subject: Undeliverable: IMPORTANT, NOTICE OF LOSS OF INJECTION AUTHORITY

Your message to jimmiecooper@valornet.com couldn't be delivered.

jimmiecooper wasn't found at valornet.com.

Hailee.Thompson Action Required	Office 365	jimmiecooper Recipient
Linknown To address		

Unknown To address

How to Fix It

The address may be misspelled or may not exist. Try one or more of the following:

- Send the message again following these steps: In Outlook, open this non-delivery report (NDR) and choose Send Again from the Report ribbon. In Outlook on the web, select this NDR, then select the link "To send this message again, click here." Then delete and retype the entire recipient address. If prompted with an Auto-Complete List suggestion don't select it. After typing the complete address, click Send.
- Contact the recipient (by phone, for example) to check that the address exists and is correct.
- The recipient may have set up email forwarding to an incorrect address. Ask them to check that any forwarding they've set up is working correctly.
- Clear the recipient Auto-Complete List in Outlook or Outlook on the web by following the steps in this article: Fix email delivery issues for error code 5.1.1 in Office 365, and then send the message again. Retype the entire recipient address before selecting Send.

If the problem continues, forward this message to your email admin. If you're an email admin, refer to the **More Info for Email Admins** section below.

Was this helpful? Send feedback to Microsoft.

More Info for Email Admins

Status code: 550 5.1.1

This error occurs because the sender sent a message to an email address outside of Office 365, but the address is incorrect or doesn't exist at the destination domain. The error is reported by the recipient domain's email server, but most often it must be fixed by the person who sent the message. If the steps in the **How to Fix It** section above don't fix the problem, and you're the email admin for the recipient, try one or more of the following:

The email address exists and is correct - Confirm that the recipient address exists, is correct, and is accepting messages.

Synchronize your directories - If you have a hybrid environment and are using directory synchronization make sure the recipient's email address is synced correctly in both Office 365 and in your on-premises directory.

Errant forwarding rule - Check for forwarding rules that aren't behaving as expected. Forwarding can be set up by an admin via mail flow rules or mailbox forwarding address settings, or by the recipient via the Inbox Rules feature.

Mail flow settings and MX records are not correct - Misconfigured mail flow or MX record settings can cause this error. Check your Office 365 mail flow settings to make sure your domain and any mail flow connectors are set up correctly. Also, work with your domain registrar to make sure the MX records for your domain are configured correctly.

For more information and additional tips to fix this issue, see Fix email delivery issues for error code 550 5.1.1 in Office 365.

Original Message De Created Date: Sender Address: Recipient Address: Subject:	etails 1/11/2024 10:56:43 PM Hailee.Thompson@emnrd.nm.gov jimmiecooper@valornet.com IMPORTANT, NOTICE OF LOSS OF INJECTION AUTHORITY
Error Details Error: Message rejected by:	550 5.1.1 [R2] Recipient jimmiecooper@valornet.com does not exist here. mx07.aqua.email-ash1.sync.lan
Notification Details Sent by:	SA0PR09MB6442.namprd09.prod.outlook.com
Message Hops	

•

HOP	TIME (UTC)	FROM	TO	WITH	RELAY TI
1	1/11/2024 10:56:44 PM	PH0PR09MB11678.namprd09.prod.outlook.co	pm PH0PR09MB11678.namprd09.prod.outlook.	com mapi	1 sec
2	1/11/2024 10:56:44 PM	PH0PR09MB11678.namprd09.prod.outlook.cc	om SA0PR09MB6442.namprd09.prod.outlook.	om Microsoft SMTP Server (version=TLS1_2, cipher=TLS_ECDHE_RSA_WITH_AES_256_GCM_SHA3	* 84)
Drigin	al Message	e Headers			
ARC-Se	al: i=1; a=rsa-	-sha256; s=arcselector9901; d=microsoft.co	m; cv=none;		
DLUJu VOYbWN	I5F7PQ0vnuO IDTJrhISYvS/		ite4XFaJ0uZnJPat2VoZjelfTbKrX+9ZDIMq3kI	58WmU10Grytbkpdp1qbJqy6sX6hFRyUfKlxeJSQ5X6tZY: NfLLDwWwU6mCx/q7gti5PK7StnjS2yPP6tnmEJEY2PP	
	elector9901;				
h=From	:Date:Subject		(-MS-Exchange-AntiSpam-MessageData-Ch	unkCount:X-MS-Exchange-AntiSpam-MessageData-0:X	-MS-Exchang
	m-MessageDa	ata=+; rNzf04tx6ljpZaQsJeeHibKFdyoQhw=;			
b=ZZu0 IDNv3G	/NrHjsZgFeky i0Okmv4jivkyg	/vqN+hs2tkAxpUyJiOkNbYd6iOLZ6Okw6GF	oV3B6ay9efr0Zxd2CHvasz64ri6hQu+MGdS0c	G4nEr/q2DuUs74PRLkvFPUgz+rrxoF6YDchbnn8AdLReE p/vD8W3SRvoCbXze+q8oR2Vs8EPj6kwT5xdcr69CH9G1	
		Results: i=1; mx.microsoft.com 1; spf=pass	V/ 75		
		l.nm.gov; dmarc=pass action=none header.fr	om=emnrd.nm.gov;		
dkim=pa	ass header.d=	emnrd.nm.gov; arc=none			
		a=rsa-sha256; c=relaxed/relaxed; d=NMGo	v.onmicrosoft.com;		
		onmicrosoft-com;			
		:Message-ID:Content-Type:MIME-Version:>	K-MS-Exchange-SenderADCheck;		
		rNzf04tx6ljpZaQsJeeHibKFdyoQhw=; JVsDvidr6mf6k,IrwCts2mkUIQCO7a2AIM8ol	kmVdgGPSKi311057gLE71E011b4Tiv6cgccCc	NjkV5ZKMJO+akpD6/rbVtXmvnMRstQVj9bw7s8anhWxF	RCI3kaCvIne4
		luo1pyzQmjc8=			auviga+/
		R09MB11678.namprd09.prod.outlook.com (2			
		namprd09.prod.outlook.com (2603:10b6:806	:7f::14) with		
		ver (version=TLS1_2,	710101 Thu 11 have		
	2:56:44 +0000	RSA_WITH_AES_256_GCM_SHA384) id 15.20	./181.21; Inu, II Jan		
		R09MB11678.namprd09.prod.outlook.com			
([fe80::o	dc54:2395:19d	d:5899]) by PH0PR09MB11678.namprd09.pr	rod.outlook.com		
		d:5899%6]) with mapi id 15.20.7181.020; Thu	ı, 11 Jan 2024		
	4 +0000				
		ilee, EMNRD″ <hailee.thompson@emnrd.nn alornet.com″ <jimmiecooper@valornet.com></jimmiecooper@valornet.com></hailee.thompson@emnrd.nn 	n.gov>		
		, NOTICE OF LOSS OF INJECTION AUTH	ORITY		
-		TANT, NOTICE OF LOSS OF INJECTION			
		//TSo8bGNgaTt+qlZvLSGo4PA==			
Date: Th	nu, 11 Jan 202	24 22:56:43 +0000			
-			@PH0PR09MB11678.namprd09.prod.outlook.c	<pre>>m></pre>	
	Language: en				
	–Language: er Ias–Attach: ye				
	NEF-Correlat				
		s: dkim=none (message not signed)			
header.	d=none;dmarc	=none action=none header.from=emnrd.nm.	gov;		
	ublictraffictype				
		ostic: PH0PR09MB11678:EE_SA0PR09MB			
	fice365-filteri kchange-send	ing-correlation-id: 74651542-5f0a-4fe9-c8f	fa-08dc12f894eb		
	kchange-send kchange-antis				
	soft-antispam				
MqklZT stZ4Zsv NrY4T7)	c2x1y22Fea2l EMXrIT+PYXE w78Qepn6hyd	DORnNLzCaAxfxouwQUYlbJUmCbOAxOs6t eiBu6D/y0/y7lthkTXVYuy4GtMq9MBjaAkO	90gRWQMOM6HhHxnBN8kg9VHgKdTDC1kA TCd1vwyUw93RSoohvyw+cE+GYQWRRYPW	N6bnbV5zA4KzBa1719/KxvSa49AXqeMUi/ubrLl44psfn25 FwJJfyJvglC2jek5Uso+Z8frPWpSLzCRSigrrHyQ6/eBRVi FlyffnuCaV6QwPXW36dlbpANDMz7XwRFITE1tpliDfGRX nMkUIIIJjSTvia2ttjATSvXFq3glD1brLykspqtaIYb1Z51pZIr	tNucYzo72NzF IYTKBbBJy2to
366004 867600 999360)(23092205179 2)(8936002)(5 03)(12200000	99003)(451199024)(186009)(1800799012)(5 2536014)(6916009)(64756008)(66446008)(6 1)(38100700002);DIR:OUT;SFP:1102;	5016003)(2906002)(15650500001)(566030000	MB11678.namprd09.prod.outlook.com;PTR::CAT:NONE;SF 2)(71200400001)(498600001)(38070700009)(66946007)(7 86362001)(6506007)(33656002)(7696005)(26005)(833804	6116006)
		pam-messagedata-chunkcount: 1 pam-messagedata-0: =?us-ascii?Q?L3QRD	xmhbe3gsmdPXcsipqCJ3K+IBiGXvTLC6hvJF	bL2ciz3cAsIZ6A+k1HN?=	
		.Vh/+Aoystxtqvj+gbZRPFOsnTgWAXNBRqC			
		on9AD/8IYpWgOa76UwHiQ5YIRGVtMGDW			
		VZrj74LwdceP8SM4jNEnBbATWgTIdd9+Qi2			
		YgMu32KlqoY2bfcAqJr1p/Ir4uTaTVDA5FfjA			
		1xP/UqHsx+TAwi492KZN/1r8WYX/BOd4cs MMjsKVQ6ah++IOZM2UYAcjvw82YJ4y7rkU			
		wwjskvQoan++iOZwZUYACjVw82YJ4y7kU v/8zJEBGKNbP9EbAwiXZe7wLft7Hh1ezev#			
	-	/vs51sRIV+v+Sbotv1VQTgVtTj7okQ8a6nv0			
		IS26euZBYv2gZ1ZJraQdyQwAD/cKkVASoy			
		K4HxGVAVUV3wxjUgym6LQDzYV8aE5How			
		vrvsBLUTrUAVmZMcqnxuu+xeMbyf0bdhK/			
		DFACQeXpOi7p5aoZZTvpb8AlzFf4Tzuy2t/E			
-:us-a)giRVYhMRPkiF0E9iFzD7M8aQMQgD2CP6j lcfe6SEJaeIYTX7dKgd9bDbDGXBTA1f0trhN			
=?					
		م acz4ZOnBf+O4sFhe11JkkdrwiE9mC+ujPCG			

=?us-ascii?Q?uh5Y6qsabkaw12JVcbN5nCChw84nIMt3VBpPuHJ+LfPtMObkOPK2azQyskPW?= =?us-ascii?Q?D2QxfPy6unS/NFo0PdksGH4JLMJuzfPlLx1vbc1KxAG/E9T5JOnVf8K6rS9k?= =?us-ascii?Q?gZv7jAodsAHB40jU5hj16e0SY/GGncOTho8wdv6RqULbS7eevIkibmJI7Czw?= =?us-ascii?Q?QcUv7FrHotZTZmNVIDfKCGShgydEPs3WYxYNav37cr8+vKbgzdF8LEigLN7J?=

=?us-ascii?Q?j/1GLCy2aDuU1l2La9AncSp58ZL6jPUNhoE/tC3SzARvgdwfad3Vs76Ars21?= =?us-ascii?Q?fv8LoZSgtzxs/Lji+t8e4PrWzYj4cWmn3b3kozabMWq7wutgZbF7M+b+lF+h?=

=?us-ascii?Q?vC/u61ZaPpcQj/T6GqiPRn+aagLuEKjtjYnve1JrvJJDTXbj+bHCDwFTKSi1?=

=?us-ascii?Q?2ZMru840W05Ae5OOr2DQJxrLrMBJXbjYU9+x5tulXZwdwSoCSbv9Bv2+1rlD?= =?us-ascii?Q?eGEK96hpgnNeAWu5omb9sMcExRTH3rZrMTbJK7tlu03/rmoPKASw9zQ7g6wF?=

=?us-ascii?Q?!5fDP7eNfDfOyzv+mvBye9manDIi1I99nGtsRq1J3DZodU2GfPgT5Sn2kzkC?= =?us-ascii?Q?vw=3D=3D?=

Content-Type: multipart/mixed;

 $boundary = "_006_PH0PR09MB11678841E90163E1E145875EAC9682PH0PR09MB11678na_"MIME-Version: 1.0$

X-OriginatorOrg: emnrd.nm.gov

X-MS-Exchange-CrossTenant-AuthAs: Internal

X-MS-Exchange-CrossTenant-AuthSource: PH0PR09MB11678.namprd09.prod.outlook.com

X-MS-Exchange-CrossTenant-Network-Message-Id: 74651542-5f0a-4fe9-c8fa-08dc12f894eb X-MS-Exchange-CrossTenant-originalarrivaltime: 11 Jan 2024 22:56:43.9316

(UTC)

X-MS-Exchange-CrossTenant-fromentityheader: Hosted

X-MS-Exchange-CrossTenant-id: 04aa6bf4-d436-426f-bfa4-04b7a70e60ff

X-MS-Exchange-Transport-CrossTenantHeadersStamped: SA0PR09MB6442

State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Dylan M. Fuge Deputy Secretary **Dylan M Fuge**, Division Director (Acting) **Oil Conservation Division**



Jimmie Cooper Manager Oasis Water Solutions LLC PO Box 36 Monument, NM 88265 jimmiecooper@valornet.com

UNDERGROUND INJECTION CONTROL PROGRAM FORMAL NOTICE OF LOSS OF INJECTION AUTHORITY

Dear Operator,

This letter is to provide formal notice that the authority to inject into the well(s) identified in Attachment A has terminated pursuant to 19.15.26.12(C)(1) New Mexico Administrative Code ("NMAC"). This citation of the NMAC states as follows:

Abandonment of injection operations:

Whenever there is a continuous one-year period of non-injection into all wells in an injection or storage project or into a produced water disposal well or special purpose injection well, the division shall consider the project or well abandoned, and the authority for injection shall automatically terminate ipso facto.

Injection of any fluid into any of the identified wells is prohibited until a new injection permit is approved by the Director. Additionally, the operator of the identified wells must immediately ensure the well is shut-in and disconnected from incoming sources of disposal.

Failure to report disposal volumes to the Oil Conservation Division ("OCD") is considered as "non-injection" for purposes of triggering automatic termination of the authority to use the well for disposal. Pursuant to 19.15.7.24 NMAC, disposal volumes must be reported on or before the 15th day of the second month following the month of disposal on Form C-115 (Monthly Production Reports). In addition to the loss of injection authority, the failure to report is, in its own right, a violation that may be punishable under 19.15.5.10 (D) NMAC by assessing a civil penalty of no more than two thousand and five hundred dollars (\$2500) per day of noncompliance for each violation.

1220 South St. Francis Drive • Santa Fe, New Mexico 87505 Phone (505) 476-3460 • Fax (505) 476-3462 • www.emnrd.state.nm.us/ocd Oasis Water Solutions LLC Formal Notice of Loss of Injection Authority

If you plan to continue the use of the well for disposal, you must apply for a new Underground Injection Control ("UIC") permit pursuant to 19.15.16.8 NMAC using Form C-108 and completing the requirements specified in the form. The approval of a UIC permit may be either through the administrative review process or through hearing. Submission of an administratively complete Form C-108 does not guarantee the OCD will approve a new UIC permit for the well.

The well(s) shall be shut in and must not be used for disposal purposes until the following have been approved and all conditions of approval completed. The well(s) must have the following prior to reopening:

- An Approved UIC permit
- A new passing Mechanical Integrity Test (MIT).
- The OCD has approved a new form C-105 for well(s).
- All conditions of approval in the UIC permit have been completed.

Please also be aware that pursuant to 19.15.25.8 NMAC or any applicable Agreed Compliance Order, there is a limited time in which a well(s) must be returned to service or abandoned through either proper temporary abandonment or plugging. For these deadlines, please refer to said rule or agreement.

If you have any question regarding the procedure to obtain a new disposal permit for this well, please contact the Engineering Bureau at <u>OCD.engineer@emnrd.nm.gov</u>. If you have questions as to C-115 reporting, inactive well status, or other compliance issues, contact the OCD Admin and Compliance Bureau at <u>OCD.AdminComp@emnrd.nm.gov</u>.

Sincerely,

Brandon Danoll

Brandon Powell Deputy Director

1/10/24 Date:

Enclosure: Attachment A: List of Well(s) with Loss of Injection Authority

Cc: Well file for wells listed in Attachment A Imaging file of corresponding UIC permit in Attachment A

> 1220 South St. Francis Drive • Santa Fe, New Mexico 87505 Phone (505) 476-3460 • Fax (505) 476-3462 • www.emnrd.state.nm.us/ocd Page 3

<u>Attachment A</u> List of Wells with Loss of Injection Authority

1. State MTS #002 [30-025-28141]

Pool: SWD; Wolfcamp Unit E, Sec 10, 19S, 35E, NMPM Lea, New Mexico **Disposal Permit: SWD-1490** Last Month of Reported Disposal: 11/1/2014

2. Pearl State #002 [30-025-28224]

Pool: SWD; Wolfcamp Unit J, Sec 10, 19S, 35E, NMPM Lea, New Mexico **Disposal Permit: SWD-1542** Last Month of Reported Disposal: 9/1/2021

[End of List of Effected Wells]

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3470 Fax: (505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Operator:	OGRID:
NEW MEXICO ENERGY MINERALS & NATURAL RESOURCE	264235
1220 S St Francis Dr	Action Number:
Santa Fe , NM 87504	307750
	Action Type:
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
sarah.skrien	None	1/25/2024

Page 8 of 8

.

Action 307750