Additional Information

Mack Energy
Manitoba SWD-2610
9-30-2024

(Response to E-mail for clarification on Depth to USDW and BLM Conditions of Approval)

From: <u>Jerry Sherrell</u>

To: <u>Harris, Anthony, EMNRD</u>; <u>Deana Weaver</u>

Cc: Goetze, Phillip, EMNRD; Gebremichael, Million, EMNRD; Sandoval, Stacy, EMNRD; Chavez, Carl, EMNRD

Subject: RE: [EXTERNAL] RE: Mack Energy - Manitoba SWD#1: Additional Information required

Date: Monday, September 30, 2024 10:24:41 AM

Attachments: image001.jpg

image002.jpg

15S28E 15S33E CONDUCTIVITY AND TDS.pdf Manitoba SWD #1 BLM Conditions of Approval.pdf

Good Morning,

I am attaching some information requested about the Fresh Water in this area. According to the OSE the depth of fresh water in this area is 85′, formation is Qoa - Older alluvial deposits. Mack Energy proposed to set surface casing at 450′. BLM recommended setting at 380′ or 25′ into the Rustler formation. This should protect all USDW. There is no USDW below our proposed injection interval.

Jerry W. Sherrell
Regulatory Supervisor
Mack Energy Corporation
Bulldog Operating Company
PO Box 960
Artesia, NM 88210
Office 575-748-1288
Cell 575-703-7382
jerrys@mec.com

From: Harris, Anthony, EMNRD < Anthony. Harris@emnrd.nm.gov>

Sent: Thursday, September 26, 2024 2:24 PM

To: Jerry Sherrell <jerrys@mec.com>; Deana Weaver <dweaver@mec.com>

Cc: Goetze, Phillip, EMNRD <phillip.goetze@emnrd.nm.gov>; Gebremichael, Million, EMNRD

<Million.Gebremichael@emnrd.nm.gov>; Sandoval, Stacy, EMNRD

<Stacy.Sandoval@emnrd.nm.gov>; Chavez, Carl, EMNRD <Carlj.Chavez@emnrd.nm.gov>

Subject: RE: [EXTERNAL] RE: Mack Energy - Manitoba SWD#1: Additional Information required

EXTERNAL EMAIL - Verify the sender and use caution before opening attachments or clicking links

Good Afternoon

You can include everyone in the email.

Regards

Tony

From: Jerry Sherrell < <u>jerrys@mec.com</u>>

Sent: Thursday, September 26, 2024 2:14 PM

To: Harris, Anthony, EMNRD < Anthony. Harris@emnrd.nm.gov >; Deana Weaver

<<u>dweaver@mec.com</u>>

Cc: Goetze, Phillip, EMNRD < phillip.goetze@emnrd.nm.gov>; Gebremichael, Million, EMNRD

<Million.Gebremichael@emnrd.nm.gov>; Sandoval, Stacy, EMNRD

<<u>Stacy.Sandoval@emnrd.nm.gov</u>>; Chavez, Carl, EMNRD <<u>Carlj.Chavez@emnrd.nm.gov</u>>

Subject: RE: [EXTERNAL] RE: Mack Energy - Manitoba SWD#1: Additional Information required

Anthony,

I have received the letters from ALL Consulting for the Seismicity Reports. Do I forward them to everyone on this email or somewhere else? Please advise.

From: Harris, Anthony, EMNRD < <u>Anthony.Harris@emnrd.nm.gov</u>>

Sent: Wednesday, September 18, 2024 3:21 PM

To: Jerry Sherrell < <u>jerrys@mec.com</u>>; Deana Weaver < <u>dweaver@mec.com</u>>

Cc: Goetze, Phillip, EMNRD < phillip.goetze@emnrd.nm.gov>; Gebremichael, Million, EMNRD

< <u>Million.Gebremichael@emnrd.nm.gov</u>>; Sandoval, Stacy, EMNRD

<<u>Stacy.Sandoval@emnrd.nm.gov</u>>; Chavez, Carl, EMNRD <<u>Carlj.Chavez@emnrd.nm.gov</u>>

Subject: RE: [EXTERNAL] RE: Mack Energy - Manitoba SWD#1: Additional Information required

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Great, thanks for the update

From: Jerry Sherrell < <u>jerrys@mec.com</u>>

Sent: Wednesday, September 18, 2024 3:19 PM

To: Harris, Anthony, EMNRD < Anthony. Harris@emnrd.nm.gov >; Deana Weaver

<<u>dweaver@mec.com</u>>

Cc: Goetze, Phillip, EMNRD < phillip.goetze@emnrd.nm.gov; Gebremichael, Million, EMNRD

< Million. Gebremichael@emnrd.nm.gov >; Sandoval, Stacy, EMNRD

<<u>Stacy.Sandoval@emnrd.nm.gov</u>>; Chavez, Carl, EMNRD <<u>Carlj.Chavez@emnrd.nm.gov</u>>

Subject: [EXTERNAL] RE: Mack Energy - Manitoba SWD#1: Additional Information required

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Anthony,

I just got off the phone with the Hydrologist in the Roswell BLM office. He is going to help us with the information. We will get that to you soon.

From: Harris, Anthony, EMNRD < <u>Anthony.Harris@emnrd.nm.gov</u>>

Sent: Wednesday, September 18, 2024 2:48 PM

To: Deana Weaver < <u>dweaver@mec.com</u>>; Jerry Sherrell < <u>jerrys@mec.com</u>>

Cc: Goetze, Phillip, EMNRD < phillip.goetze@emnrd.nm.gov; Gebremichael, Million, EMNRD

< <u>Million.Gebremichael@emnrd.nm.gov</u>>; Sandoval, Stacy, EMNRD

<<u>Stacy.Sandoval@emnrd.nm.gov</u>>; Chavez, Carl, EMNRD <<u>Carlj.Chavez@emnrd.nm.gov</u>>

Subject: RE: Mack Energy - Manitoba SWD#1: Additional Information required

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Good Afternoon, Deana & Jerry

After reviewing the information provided on Sept 17, 2024, the following is noted:

C-108 Section VIII - No information was provided for the geologic name and depth to bottom for USDW overlying / underlying the proposed injection interval. Information was provided for a POD, but that does not include any details with respect to depth of USDW.

Page 18 of your submission highlights "Roswell Artesian" as a Groundwater basin (see snapshot below). Is Mack referring to this "basin" as the geologic name of the USDW for this area? If so, at what depth does it occur?

At this time, and based upon the information provided, it is not possible to assess whether your drilling and casing program will adequately protect USDW. Your application cannot be processed further until the requested information is provided. If you require a meeting with OCD representatives to clarify the above items please advise and we will accommodate accordingly.

Snapshot from Page 18 of Sept 17, 2024 submission



Regards

Tony Harris

Petroleum Specialist

Anthony.harris@emnrd.nm.gov

505 549 8131.



From: Deana Weaver dweaver@mec.com

Sent: Tuesday, September 17, 2024 9:38 AM

To: Harris, Anthony, EMNRD < Anthony. Harris@emnrd.nm.gov >; Jerry Sherrell < jerrys@mec.com >

Cc: Goetze, Phillip, EMNRD < phillip.goetze@emnrd.nm.gov>; Gebremichael, Million, EMNRD

< <u>Million.Gebremichael@emnrd.nm.gov</u>>; Sandoval, Stacy, EMNRD

<<u>Stacy.Sandoval@emnrd.nm.gov</u>>; Chavez, Carl, EMNRD <<u>Carlj.Chavez@emnrd.nm.gov</u>>

Subject: [EXTERNAL] RE: Mack Energy - Manitoba SWD#1: Additional Information required

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Anthony- Attached is the additional information requested below.

Thank you

Deana Weaver Regulatory Technician II Mack Energy Corporation 575-748-1288

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PECOS DISTRICT DRILLING OPERATIONS CONDITIONS OF APPROVAL

OPERATOR'S NAME: | Mack Energy Corporation

LEASE NO.: | NMNM-138832

WELL NAME & NO.: | Manitoba SWD 1

SURFACE HOLE FOOTAGE: 1668' FSL & 1980' FEL

LOCATION: Section 23, T. 15 S., R 29 E., NMPM

COUNTY: | Chaves County, New Mexico

The Gamma Ray and Neutron well logs must be run from total depth to surface and e-mailed to Chris Bolen at aknapowski@blm.gov or hard copy mailed to 2909 West Second Street Roswell, NM 88201 to his attention.

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

Chaves and Roosevelt Counties

Call the Roswell Field Office, 2909 West Second St., Roswell NM 88201. During office hours call (575) 627-0272. After hours cll (575) 627-0205.

A. Hydrogen Sulfide

- 1. A Hydrogen Sulfide (H2S) Drilling Plan shall be activated AT SPUD. As a result, the Hydrogen Sulfide area must meet 43 CFR part 3170 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.
- 2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. If the drilling rig is removed without approval an Incident of Non-Compliance will be written and will be a "Major" violation.
- 3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works is located, this does not include the dog house or stairway area.

Page 1 of 5

Approval Date: 05/30/2024

4. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

B. CASING

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.

Wait on cement (WOC) for Water Basin:

After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements.

Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

High Cave/Karst

Possibility of water flows in the Rustler, Queen, Salado, and Artesia Group. Possibility of lost circulation in the Rustler, Artesia Group, and San Andres.

Page 2 of 5

Approval Date: 05/30/2024

- 1. The 13-3/8 inch surface casing shall be set at approximately 380 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface. If salt is encountered, set casing at least 25 feet above the salt.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:
 - ☐ Cement to surface. If cement does not circulate see B.1.a, c-d above.

Centralizers required on horizontal leg, must be type for horizontal service and a minimum of one every other joint.

- 3. The minimum required fill of cement behind the 7 inch production casing is:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office.
- 4. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

- Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 5000 (5M) psi.
 5M system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 2. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - b. The tests shall be done by an independent service company utilizing a test plug **not** a **cup or J-packer**.
 - c. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
 - d. The results of the test shall be reported to the appropriate BLM office.
 - e. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
 - f. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.

D. WELL COMPLETION

A NOI sundry with the completion procedure for this well shall be submitted and approved prior to commencing completion work. The procedure will be reviewed to verify that the completion proposal will allow the operator to:

- 1. Properly evaluate the injection zone utilizing open hole logs, swab testing and/or any other method to confirm that hydrocarbons cannot be produced in paying quantities. This evaluation shall be reviewed by the BLM prior to injection commencing.
- 2. Restrict the injection fluid to the approved formation.

If off-lease water will be disposed in this well, the operator shall provide proof of right-of-way approval.

E. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

JAM 03262024

Page 5 of 5

Approval Date: 05/30/2024

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

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

Action 395037

CONDITIONS

Operator:	OGRID:
MACK ENERGY CORP	13837
P.O. Box 960	Action Number:
Artesia, NM 882110960	395037
	Action Type:
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
anthony.harris	None	10/23/2024