From: Goetze, Phillip, EMNRD

To: "Shelly Cook-Cowden"

Cc: David Grounds; Ankush Gupta; Chavez, Carl, EMNRD; Scott Mendenhall; Alexander Petrovski; Lydick, Barbara,

EMNRD; Cordero, Gilbert, EMNRD; Harris, Anthony, EMNRD; Sandoval, Stacy, EMNRD; Wrinkle, Justin, EMNRD

Subject: REQUEST FOR ADDITIONAL TIME DUE TO THEFT & VANDELISM SWD-1121_OWL SWD Operating,

LLC.,_Cigarillo SWD No. 001

Date: Monday, November 10, 2025 1:53:00 PM

RE: Cigarillo SWD No. 1 (API 30-015-21643) SWD-1121-A; Request for Extension of Time

Good afternoon, Shelly. OCD is in receipt of OWL's/Pilot's request for an extension of time for the referenced well. This request satisfies the requirement for the written request described in 19.15. 25.12(C)(2) NMAC and the injection authority remains intact for the period requested. However, before a written order for extension is formalized, there are two requests:

- 1. Please provide a second separate letter (PDF) with the information regarding the incident (police report, additional damage assessments, site impacts, etc.) which was not available at this time.
- 2. Please review you estimate for the extension time and determine if the amount is adequate. In the same second letter, either affirm the period of time is adequate or if additional time is required for repairs and return to service. Given the uncertainty of the damaged well and site conditions, additional time for repairs may be needed and is easily adjusted at this point.

Please ensure the mechanical integrity of the subsurface portion of the well remains intact and the other conditions of the UIC permit (SWD order) remain intact. This email will be placed in the well file and the administrative module for the SWD order. Contact OCD with any questions on this matter. PRG

From: Shelly Cook-Cowden < Shelly.Cowden@pilotwater.com>

Sent: Monday, November 10, 2025 12:36 PM

To: Goetze, Phillip, EMNRD <phillip.goetze@emnrd.nm.gov>; Harris, Anthony, EMNRD

<Anthony.Harris@emnrd.nm.gov>; Sandoval, Stacy, EMNRD <Stacy.Sandoval@emnrd.nm.gov>;

Chavez, Carl, EMNRD <Carlj.Chavez@emnrd.nm.gov>; Lydick, Barbara, EMNRD

<Barbara.Lydick@emnrd.nm.gov>; Cordero, Gilbert, EMNRD <Gilbert.Cordero@emnrd.nm.gov>

Cc: David Grounds < David.Grounds@pilotwater.com>; Ankush Gupta

 $<\!\!Ankush.Gupta@pilotwater.com\!\!>; Scott Mendenhall <\!\!scott.mendenhall@pilotwater.com\!\!>;$

Alexander Petrovski < Alexander. Petrovski@pilotwater.com>

Subject: [EXTERNAL] REQUEST FOR ADDITIONAL TIME DUE TO THEFT & VANDELISM SWD-

1121_OWL SWD Operating, LLC.,_Cigarillo SWD No. 001

Importance: High

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Good afternoon Phil,

OWL SWD Operating, LLC respectfully requests additional time to bring the Cigarillo SWD 001 back online. This request is due to significant vandalism and theft that recently occurred at the location, resulting in extensive damage to both surface facilities and equipment.

A substantial portion of the electrical and mechanical components were stolen or destroyed, with preliminary replacement estimates exceeding \$1 million. Photos of the damage are attached for reference, and the official police report will be forwarded once it is received.

Given the extent of the losses and the lead times required to procure and install replacement equipment, OWL requests an extension through February 15, 2026, to complete equipment acquisition, installation, and the approved workover plan.

Please let me know if any additional documentation or information is needed to support this request.

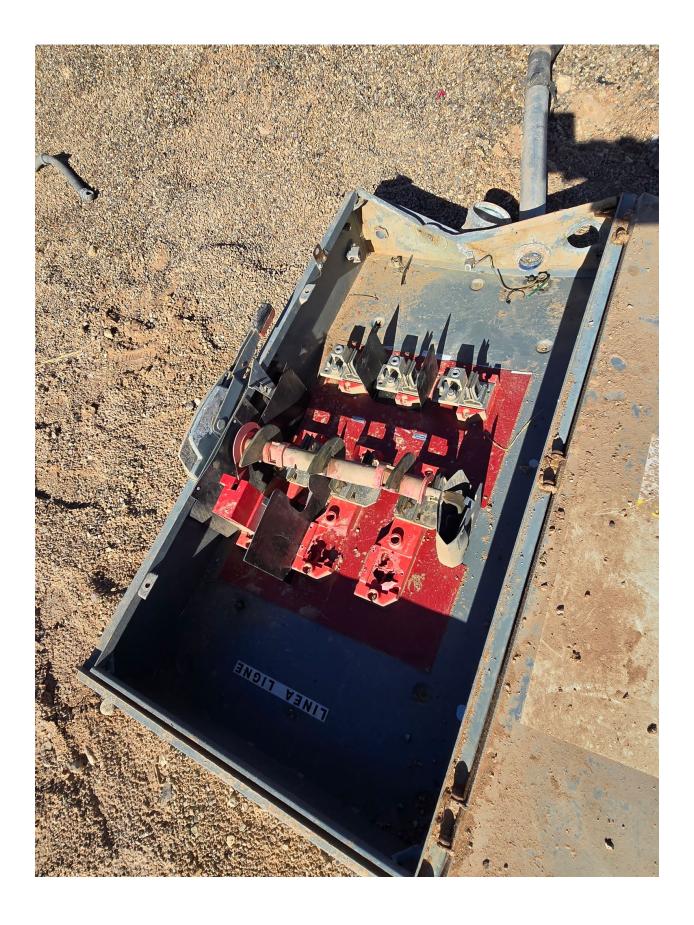


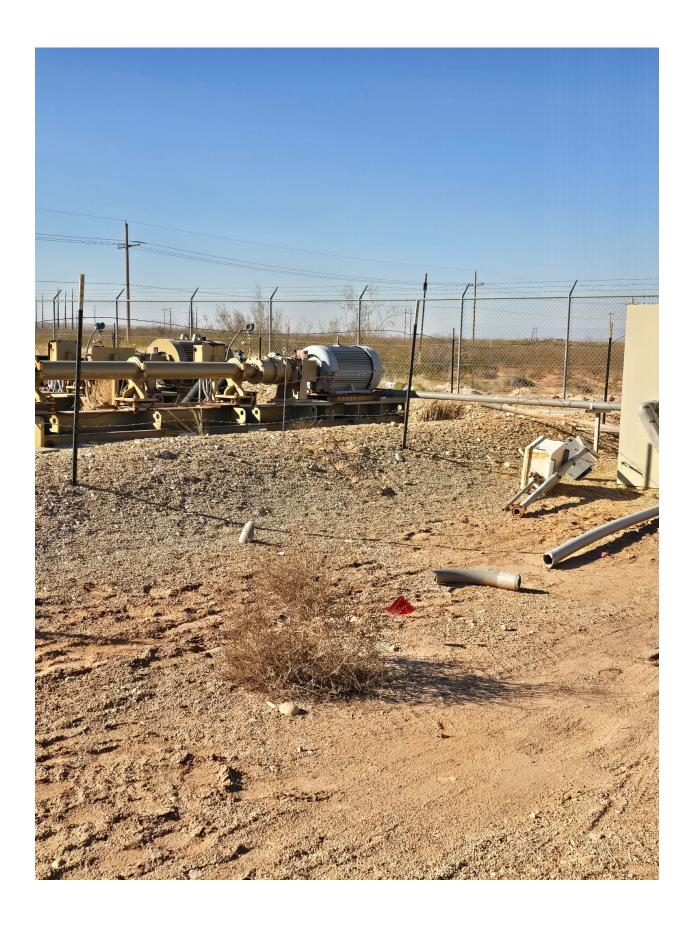
Shelly Cowden

Shelly.cowden@pilotwater.com

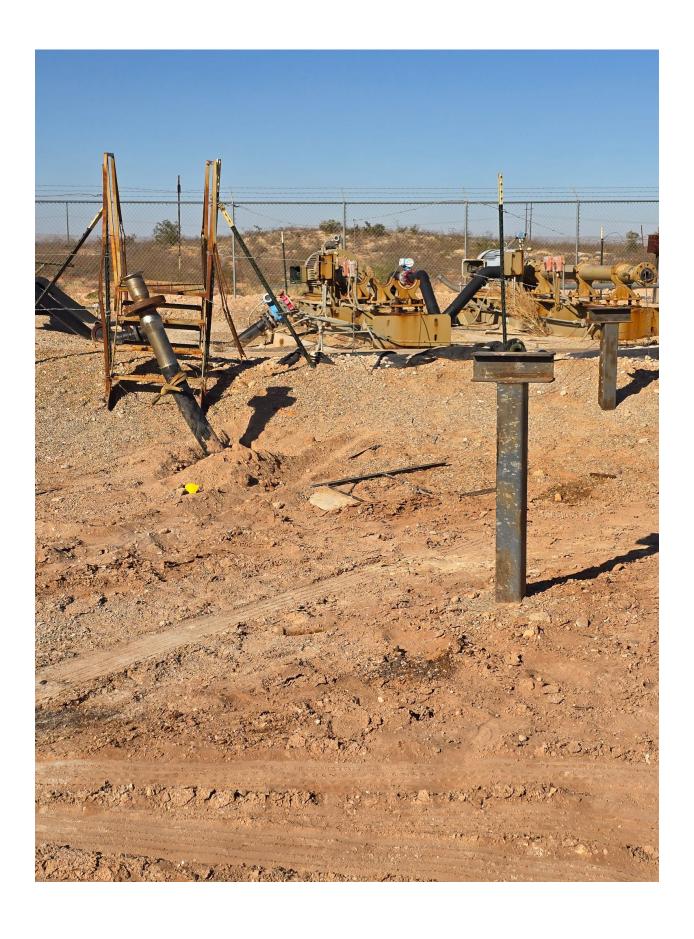
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State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan-Grisham Governor

Melanie A. Kenderdine

Cabinet Secretary

Ben SheltonDeputy Secretary

Erin Taylor
Deputy Secretary

Albert C.S. ChangDivision Director
Oil Conservation Division



BY ELECTRONIC MAIL ONLY

Owl SWD Operating, LLC (OGRID 308339)

Shelly Cowden, Sr. Regulatory Manager

E-mail contact: Shelly.Cowden@pilotwater.com

RE: Administrative Order SWD-1121-A – Corrected Extension of Injection Authority

Well: Cigarillo SWD No. 1

Surface location: 1980 feet FNL, 1980 FEL Section 36, Township 23 South, Range 27

East, NMPM, Eddy County, New Mexico

Order date: September 17, 2008

Injection formation: Devonian formation; 13,500 feet to 13,665 feet

Dear Ms. Cowden,

Reference is made to your June 23, 2025, request on behalf of OWL SWD Operating, LLC (the "Operator") to extend the injection authority for the subject well which will expire July 1, 2025, due to a consecutive 12 months of inactivity to November 30, 2025.

This extension supersedes the Extension of Injection Authority dated August 10, 2025. This extension referenced a prior administrative order for this well, SWD-1121 approved May 12, 2008, and was subsequently amended in a second administrative order approved September 17, 2008.

The operator justifies its extension request due to time needed to repair the casing issues and return the well back to injection.

1220 South St. Francis Drive, 3rd Floor • Santa Fe, New Mexico 87505 Phone (505) 476-3441 • <u>www.emnrd.state.nm.us/ocd</u> SWD-1121-A: Extension of Injection Authority Owl SWD Operating, LLC Page 2 of 2

The Division finds that for reasons you have stated, the granting of this request to extend this administrative order is in the interest of the conservation, will prevent waste, and will protect the environment. Therefore, the deadline to commence injection for the existing order <u>is hereby</u> extended until November 30, 2025.

All requirements of the above-mentioned administrative order and agreements in the application remain in full force and effect. Any additional extension of the deadline to commence injection for this administrative order will not be considered unless the operator has already resumed injecting into the reference well. Otherwise, the injection authority shall expire under the terms of the extended administrative order, and the operator shall be required to submit a new application to obtain injection authority for the referenced well.

Albert Chang

Division Director

9/20/2025

Date

AC/elg

cc: Order SWD-1121-A

Albert Chang

Well file API 30-015-21643

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

CONDITIONS

Action 525032

CONDITIONS

Operator:	OGRID:
NEW MEXICO ENERGY MINERALS & NATURAL RESOURCE	264235
1220 S St Francis Dr	Action Number:
Santa Fe , NM 87504	525032
	Action Type:
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
pgoetze	None	11/10/2025