

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF GOODNIGHT MIDSTREAM
PERMIAN, LLC TO AMEND ORDER NO. R-7765
AS AMENDED TO EXCLUDE THE SAN ANDRES
FORMATION FROM THE UNITIZED INTERVAL
OF THE EUNICE MONUMENT SOUTH UNIT,
LEA COUNTY, NEW MEXICO.**

CASE NO. 24278

**APPLICATION OF GOODNIGHT MIDSTREAM
PERMIAN, LLC TO AMEND ORDER NO. R-7767
TO EXCLUDE THE SAN ANDRES FORMATION
FROM THE EUNICE MONUMENT OIL POOL
WITHIN THE EUNICE MONUMENT SOUTH
UNIT AREA, LEA COUNTY, NEW MEXICO.**

CASE NO. 24277

**APPLICATIONS OF GOODNIGHT MIDSTREAM
PERMIAN, LLC FOR APPROVAL OF
SALTWATER DISPOSAL WELLS, LEA COUNTY,
NEW MEXICO.**

CASE NOS. 23614-23617

**APPLICATIONS OF EMPIRE NEW MEXICO LLC
TO REVOKE INJECTION AUTHORITY,
LEA COUNTY, NEW MEXICO.**

CASE NOS. 24018-24027

**APPLICATION OF GOODNIGHT MIDSTREAM
PERMIAN LLC TO AMEND ORDER NO. R-
22024/SWD-2403 TO INCREASE THE APPROVED
INJECTION RATE IN ITS ANDRE DAWSON SWD #1,
LEA COUNTY, NEW MEXICO.**

CASE NO. 23775

**APPLICATION OF GOODNIGHT PERMIAN
MIDSTREAM, LLC FOR APPROVAL OF A
SALTWATER DISPOSAL WELL, LEA COUNTY,
NEW MEXICO.**

**CASE NO. 24123
ORDER NO. R-22869-A**

**EMPIRE NEW MEXICO LLC'S RESPONSE TO GOODNIGHT MIDSTREAM
PERMIAN LLC'S FOURTH SUBPOENA DATED JANUARY 3, 2025**

Empire New Mexico, LLC (“Empire”) submits the following responses to the Subpoena issued on January 10, 2025 at the request of Goodnight Midstream Permian, LLC (“Goodnight”). A link to responsive documents is provided in the email transmitting this response.

1. Request No. 1: All documents and data relating to corrosion encountered in each of Empire’s EMSU wells that Empire contends is caused in whole or in part by Goodnight’s saltwater disposal. If already produced, cite to the documents by bates

Response: Empire objects to Request No. 1 as duplicative of Request Nos. 3 and 4 in Goodnight’s Third Subpoena Dated July 2, 2024, *inter alia*. See Empire’s responses and documents produced in response thereto, including but not limited to Bates #s OCD 23614-17 03538-3557. In addition, Empire produces additional documents that can be found in the link provided concurrently in the subfolder entitled “Item 1 – Corrosion” under “4th Subpoena” and in the subfolder entitled “Chemicals” under “10_Item for Goodnight JAN 2025→West.”

2. Request No. 2: All documents and data relating to premature and irregular encroachment of water or any other kind of water encroachment that Empire contends reduces or will tend to reduce the total ultimate recovery of crude petroleum oil or gas or both from the Grayburg or San Andres formations that Empire contends is caused in whole or in part by Goodnight’s saltwater disposal. If already produced, cite to the documents by bates.

Response: Empire objects to this request as vague, ambiguous, and overly broad because, for example, responsive documents include documents that are responsive to Requests Nos. 1 and 3 herein. Moreover, this request is duplicative of numerous previous discovery requests and previously produced documents, including but not limited to Bates #s OCD 23614-17-04508 and -5439. In further response, Empire fully incorporates its responses to Request Nos. 1 & 3

herein and responses to Goodnight's previous subpoenas, including but not limited to Request No. 6 in its September 22, 2023 Subpoena and Request No. 14 in its March 5, 2024 Subpoena. In an effort to ensure that Goodnight has any document that it believes may be remotely related to this request, Empire produces one additional document, which can be found in the subfolder entitled Item 2 – Water Encroachment.

3. Request No. 3: All water analyses performed for the EMSU from 2020 to the present, including but not limited to (1) produced water from Grayburg producers; (2) water injected into Grayburg waterflood injectors; (3) water injected into the EMSU SWD #1; and (4) water produced from any of the EMSU water supply wells. If already produced, cite to the documents by bates for each forgoing category.

Response: Empire objects to this request as duplicative of previous Goodnight requests, which include but may not be limited to Request Nos. 5 and 6 in Goodnight's March 2, 2024 Subpoena. Empire fully incorporates its responses to Goodnight's previous discovery requests relating to the same subject matter, including but not limited to the Water Samples produced unnumbered on December 4, 2024. In an effort to ensure that Goodnight has any document that it believes may be remotely related to this request, Empire produces additional documents that may be found in the subfolder entitled Item 3 – Water Analyses at the link provided concurrently.

4. Request No. 4: Updated daily water injection volumes and wellhead pressures for Empire's EMSU waterflood injection wells.

Response: Responsive information was produced and filed as Notice of Filing Verified Accounting of Waterflood Injections on January 14, 2024.

5. **Request No. 5:** All documents and data, including communications or correspondence of any kind, relating to skim oil produced or collected from any of the EMSU water supply wells.

Response: Empire has conducted a diligent and thorough search of the records within its possession, custody, or control and discovered no responsive documents or data.

6. **Request No. 6:** Empire's EMSU evaluation file, including but not limited to all documents and communications relating to Empire's due diligence leading up to the purchase of the EMSU and all documents provided to Empire by XTO.

Response: Empire objects to this request, which has been repeated numerous times, including but not limited to Request No. 7 in Goodnight's Subpoena issued July 2, 2024. Empire incorporates its responses thereto, as well as its response to Goodnight's other related requests. In an effort to ensure that Goodnight has any document that it believes may be remotely related to this request, Empire produces additional documents that may be found in the subfolder entitled Item 6 – EMSU Evaluation File. *See Index.*

7. **Request No. 7:** All documents and data, including draft or final authorizations for expenditure, and communications or correspondence of any kind, including to/from EMSU working interest owners, relating to proposed new wells targeting the San Andres formation within the EMSU.

Response: Empire has conducted a reasonable search and determined that no responsive documents exist.

Respectfully submitted,

By: /s/ Sharon T. Shaheen
Sharon T. Shaheen
SPENCER FANE LLP
P.O. Box 2307
Santa Fe, NM 87504-2307
(505) 986-2678
sshaheen@spencerfane.com

Dana S. Hardy
Jaclyn M. McLean
HINKLE SHANOR LLP
P.O. Box 2068
Santa Fe, NM 87504-2068
(505) 982-4554
dhardy@hinklelawfirm.com
jmclean@hinklelawfirm.com
trode@hinklelawfirm.com

Ernest L. Padilla
PADILLA LAW FIRM, P.A.
P.O. Box 2523
Santa Fe, NM 87504
(505) 988-7577
padillalawnm@outlook.com

Attorneys for Empire New Mexico, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on the following by electronic mail on January 20, 2025.

/s/ Sharon T. Shaheen

Mathew M. Beck
Peifer, Hanson, Mullins & Baker, P.A.
P.O. Box 25245
Albuquerque, NM 87125-5245
(505) 247-4800
mbeck@peiferlaw.com

Ernest L. Padilla
Padilla Law Firm
P.O. Box 2523
Santa Fe, NM 87504
(505) 988-7577
padillalawnm@outlook.com

*Attorneys for Rice Operating Company and
Permian Line Company, LLC*

Christopher Moander
Jesse Tremaine
Office of General Counsel
New Mexico Energy, Minerals and Natural
Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505
(505) 476-3441
Chris.Moander@emnrd.nm.gov
Jessek.tremaine@emnrd.nm.gov

Dana S. Hardy
Jaclyn M. McLean
HINKLE SHANOR LLP
P.O. Box 2068
Santa Fe, NM 87504-2068
(505) 982-4554
dhardy@hinklelawfirm.com
jmclean@hinklelawfirm.com
trode@hinklelawfirm.com

Attorneys for Empire New Mexico LLC

Attorneys for Oil Conservation Division

Miguel A. Suazo
Sophia Graham
Kaitlyn Luck
Beatty & Wozniak, P.C.
500 Don Gaspar Ave.
Santa Fe, NM 87505
msuazo@bwenerylaw.com
sgraham@bwenerylaw.com
kluck@bwenerylaw.com

Michael H. Feldewert
Adam G. Rankin
Paula M. Vance
Nathan Jurgensen
Holland & Hart LLP
P.O. Box 2208
Santa Fe, NM 87504
(505) 988-4421
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
pmvance@hollandhart.com
nrjurgensen@hollandhart.com

Attorneys for Pilot Water Solutions SWD, LLC

*Attorneys for Intervenor Goodnight
Midstream, LLC*