

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

**APPLICATION OF SELECT WATER SOLUTIONS, LLC  
FOR APPROVAL OF A SALTWATER DISPOSAL WELL,  
LEA COUNTY, NEW MEXICO**

**Case No. 25899**

**ORDER DENYING MOTION TO STRIKE THE CITY OF JAL'S  
ENTRY OF APPEARANCE, NOTICE OF INTERVENTION, AND OBJECTION**

This matter came before the Oil Conservation Division (“Division”) on Select Water Solutions, LLC’s (“Select”) Motion to Strike the City of Jal’s Entry of Appearance, Notice of Intervention, and Objection. Having reviewed the motion, the City of Jal’s (“City”) Response, the Self-Affirmed Statement of Reed Davis, and the Affidavit of Stephen Aldridge, and being fully advised, the Division hereby issues the following findings and conclusions:

**FINDINGS OF FACT**

1. Select filed the present application for approval of the Coyote Fed 14 SWD #1 disposal well on January 6, 2026, following the dismissal of an earlier application filed in August 2025.
2. Select asserts that the City owns or operates no groundwater wells or other interests within the 0.5-mile Area of Review (“AOR”) established by Division rules for notice purposes.
3. The City identifies two permitted but not-yet-constructed groundwater wells approximately one mile from the proposed well and four existing groundwater wells approximately two miles away.
4. The City argues in its Response that NMAC 19.15.26.8(B)(2) governs only which parties must receive mailed notice of an application and does not govern standing or injury in fact. The City further asserts that Select’s reliance on Order No. R-10987-A(2) (Hilcorp) is misplaced because that order was later overturned by Order No. R-10987-A(4).
5. The City states that its expert hydrologist, Meghan Hodgins, prepared an affidavit and will provide live testimony addressing hydrologic risks, groundwater modeling, and injury-in-fact issues at the May 21, 2026 status conference.
6. The City has identified two additional witnesses who will testify at the May 21, 2026 status conference:
  - a. **Paul Drakos, P.G.**, Senior Geohydrologist at Glorieta Geoscience, who is expected to provide technical testimony similar to Ms. Hodgins’s testimony.

b. **Stephen Aldridge**, former Mayor of the City of Jal and current water consultant, who has submitted an affidavit addressing the risk to public health and safety.

7. In his affidavit, Mr. Aldridge testifies that:
  - a. The City's east water field was contaminated by oil and gas activities in 1960, leading to establishment of the west water field that serves the City today.
  - b. Recent hydrologic investigations associated with drilling exploratory wells have revealed previously unknown faults in the Jal Basin.
  - c. The City relies entirely on the groundwater wells identified in the application for its potable water supply and has invested approximately \$25,000,000 in its water system.
  - d. If the proposed SWD well contaminates or damages the City's wells, the City has no alternative potable water source and cannot feasibly establish one.
  - e. In his view, contamination of the City's groundwater source would threaten the continued viability of the City.
8. The Self-Affirmed Statement of Reed Davis indicates that Select's hydrologic investigation concluded there is no potential connection between the injection interval and the deepest underground source of drinking water, due to multiple confining zones, approximately 4,265 feet of vertical separation, and absence of faults.
9. The Division has not yet received live testimony from Ms. Hodgins or Mr. Drakos, nor has it had the opportunity to question the City's experts as to their methods, analyses, or conclusions.
10. No evidence has been presented showing that the City's continued participation would delay or interfere with the currently scheduled June 2, 2026 hearing.

## **CONCLUSIONS OF LAW**

1. Under 19.15.4.11(C) NMAC, a notice of intervention may be struck if an intervenor fails to show standing, unless the intervenor shows that participation "will contribute substantially to the prevention of waste, protection of correlative rights or protection of public health or the environment."
2. Select has raised substantial arguments questioning whether the City can meet the civil-law requirements for standing, including injury in fact, causation, and redressability.
3. The City has raised substantial arguments that the half-mile AOR in 19.15.26.8(B)(2) relates only to mailed notice, not to standing, and that the Order relied upon by Select was overturned.
4. The City has now identified three witnesses—Hodgins, Drakos, and Aldridge—whose expected testimony addresses hydrologic modeling, groundwater vulnerability, previously

unidentified faulting, historical contamination of City water supplies, and potential catastrophic consequences for public health and safety.

5. The City's new evidence, including the Aldridge affidavit, raises technical and factual issues that the Division has not yet evaluated through testimony or examination.
6. Given the threshold nature of the motion, and the discretionary standard in 19.15.4.11(C) NMAC, striking the City's intervention at this time would be premature.
7. Allowing the City to remain as a limited intervenor will ensure that the Division has access to all relevant testimony and will not prejudice the parties or delay the proceeding.

## **ORDER**

IT IS THEREFORE ORDERED that Select Water Solutions, LLC's Motion to Strike the City of Jal's Entry of Appearance, Notice of Intervention, and Objection is hereby DENIED WITHOUT PREJUDICE.

IT IS FURTHER ORDERED that the City of Jal shall be permitted to participate as a limited intervenor for the purpose of presenting evidence, testimony, or argument related to groundwater protection, hydrogeologic conditions, environmental impacts, and public health and safety concerns within the scope of 19.15.4.11(C) NMAC.

IT IS FURTHER ORDERED that Select may renew its motion to strike at a later time if the City's testimony is shown to lack technical basis, exceed the authorized scope, or fail to contribute substantially to the issues identified in the rule.

The hearing scheduled for June 2, 2026 shall proceed as noticed.

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GREGORY CHAKALIAN  
HEARING EXAMINER  
OIL CONSERVATION DIVISION