

State of New Mexico
Energy, Minerals and Natural Resources Department

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Division Director

Oil Conservation Division



April 2, 2012

Stanolind Operating LLC d/b/a Stanolind NM LLC

Attn: Bill Priebe

310 W. Wall Street, Suite 1000

Midland, TX 79701

Email: bpriebe@stanolind.com

Notice of Termination of Authority to Inject into the Fox #1 (API #30-015-24426), Administrative Order SWD-824

Dear Operator:

According to Oil Conservation Division records, the authority to inject into the above-identified salt water disposal well **has terminated** pursuant to the terms of Administrative Order SWD-824 or division rules or both. Division records show Stanolind Operating LLC d/b/a Stanolind NM LLC (Stanolind) as the operator of record of the well.

Administrative Order SWD-824, which was issued on January 22, 2002, states in relevant part:

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Division records do not show any injection into the Fox #1 since Administrative Order SWD-824 was issued on January 22, 2002. (A copy of the division's records is enclosed.) The injection reports filed for the Fox #1 for January 2002 and February 2002 show non-injection into the well. No injection reports for the Fox #1 have been filed for March 2002 through and including July 2004. Based upon this information, authority to inject into the Fox #1 may have terminated pursuant to Administrative Order SWD-824.

Alternatively or additionally, authority to inject into the Fox #1 would have terminated pursuant to division rules.

Division Rule 19.15.9.705 NMAC (since re-numbered 19.15.26.12 NMAC, effective December 2008) states:

C. Abandonment of Injection Operations

- (1) Whenever there is a continuous one year period of non-injection into any injection project, storage project, salt water disposal well, or special purpose injection well, such project or well shall be considered abandoned, and the authority for injection shall automatically terminate ipso facto.
- (2) For good cause shown, the division director may grant an administrative extension or extensions of injection authority as an exception to Subsection C, Paragraph (1) above of 19.15.9.705 NMAC.

Injection reports filed for the Fox #1 for August 2004 to the current reporting period of January 2012 show non-injection into the well. Injection authority would have terminated automatically after a continuous one year period of non-injection unless the division director granted an administrative extension prior to the termination. There is no indication in the division's records that an administrative extension of injection authority was requested or granted prior to the end of one year of continuous non-injection.

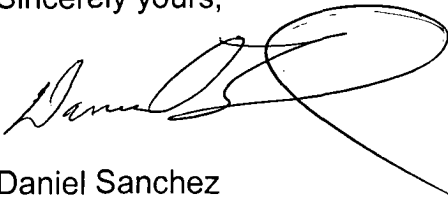
Therefore, the authority to inject into the Fox #1 has terminated.

Please disconnect any injection lines.

If Stanolind wishes to inject into the Fox #1, it will have to apply for authority to inject with the Division's Engineering Bureau. Please contact Will Jones in the Division's Engineering Bureau at (505) 476-3448 or william.v.jones@state.nm.us if you have any questions regarding reacquiring injection authority.

I would like to discuss this matter further with Stanolind. Please call me at (505) 476-3493.

Sincerely yours,



Daniel Sanchez
New Mexico Underground Injection Control Program Director

ec: Richard Inge, OCD, Artesia
Randy Dade, OCD, Artesia
William Jones, OCD, Santa Fe
Theresa Duran-Saenz, OCD, Santa Fe

30-015-24426 FOX #001 [310023]**General Well Information****Status:** Active**History****Comments****Operator**

Company: [288173] STANOLIND OPERATING LLC DBA STANOLIND NM LLC
Address: 310 W. Wall Street, Suite 1000
Midland, TX 79701
Country: U.S.A.
Main Phone: 432-640-0000

Central Contact Person

Name: Billy M Priebe
Phone: 432-640-0040
Cell: 432-425-7411
E-Mail Address: bpriebe@stanolind.com

Title: VP - Operations
Fax: 432-640-0099

Artesia Contacts

Name: Billy M Priebe
Phone: 432-640-0040
Cell: 432-425-7411
E-Mail Address: bpriebe@stanolind.com

Title:
Fax: 432-640-0099

Pits**Casing****Well Completions****[96106] SWD;GLORIETA****Status:** Active**Last Produced:****[3250] ATOKA;GLORIETA-YESO****Status:** Zone Permanently Plugged**Last Produced:** 12/1/1992**Financial Assurance****Compliance**

Note that Financial Assurance and Inactive Well Compliance are documented in separate reports ([Inactive Well Report](#), [Financial Assurance Report](#)).

Also note that some compliance issues are addressed at the operator level so not listed under each well.

GEG0304456805 **Date of Violations:** 2/13/2003**Violations:** Plug/Abandonment**KMW0923741515** **Date of Violations:** 8/25/2009**Violations:** Plug/Abandonment**MLB0314855697** **Date of Violations:** 5/28/2003**Violations:** Pollution and Contamination**Complaints, Incidents and Spills**

No Incidents Found

Please note that incidents that impact ground water are recorded along with "facilities" which may not be wells, so although the initial report may be recorded here as a spill, information related to the abatement plans, remediation plans and ground water impact information are not yet part of this application.

Orders**ACO - Inactive Wells ACOI-96-0****Salt Water Disposal SWD-824-0****Salt Water Disposal SWD-0-0****Production / Injection**[Show All Production](#)[Export to Excel](#)**Earliest Production in OCD Records:** 12/1992**Last** 12/1992

	Production	Injection
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Time Frame	Oil(BBLS)	Gas(MCF)	Water (BBLS)	Days P/I	Water (BBLS)	Co2(MCF)	Gas(MCF)	Other	Pressure
1992 Cumulative	24638	60072	382908	99	0	0	0	0	0
1994	0	0	0	0	0	0	0	0	0
1995	0	0	0	0	0	0	0	0	0
1996	0	0	0	0	0	0	0	0	0
1997	0	0	0	0	0	0	0	0	0
1998	0	0	0	0	0	0	0	0	0
1999	0	0	0	0	0	0	0	0	0
2000	0	0	0	0	0	0	0	0	0
2001	0	0	0	0	0	0	0	0	0
2002									
ATOKA;GLORIETA-YESO									
Jan	0	0	0	0	0	0	0	0	0
Feb	0	0	0	0	0	0	0	0	0
Pool Total:	0	0	0	0	0	0	0	0	0
Annual Total:	0	0	0	0	0	0	0	0	0
2004									
SWD;GLORIETA									
Aug	0	0	0	0	0	0	0	0	0
Sep	0	0	0	0	0	0	0	0	0
Oct	0	0	0	0	0	0	0	0	0
Nov	0	0	0	0	0	0	0	0	0
Dec	0	0	0	0	0	0	0	0	0
Pool Total:	0	0	0	0	0	0	0	0	0
Annual Total:	0	0	0	0	0	0	0	0	0
2005									
SWD;GLORIETA									
Jan	0	0	0	0	0	0	0	0	0
Feb	0	0	0	0	0	0	0	0	0
Mar	0	0	0	0	0	0	0	0	0
Apr	0	0	0	0	0	0	0	0	0
May	0	0	0	0	0	0	0	0	0
Jun	0	0	0	0	0	0	0	0	0
Jul	0	0	0	0	0	0	0	0	0
Aug	0	0	0	0	0	0	0	0	0
Sep	0	0	0	0	0	0	0	0	0
Oct	0	0	0	0	0	0	0	0	0
Nov	0	0	0	0	0	0	0	0	0
Dec	0	0	0	0	0	0	0	0	0
Pool Total:	0	0	0	0	0	0	0	0	0
Annual Total:	0	0	0	0	0	0	0	0	0
2006									
SWD;GLORIETA									
Jan	0	0	0	0	0	0	0	0	0
Feb	0	0	0	0	0	0	0	0	0
Mar	0	0	0	0	0	0	0	0	0
Apr	0	0	0	0	0	0	0	0	0
May	0	0	0	0	0	0	0	0	0
Jun	0	0	0	0	0	0	0	0	0
Jul	0	0	0	0	0	0	0	0	0
Aug	0	0	0	0	0	0	0	0	0
Sep	0	0	0	0	0	0	0	0	0
Oct	0	0	0	0	0	0	0	0	0
Nov	0	0	0	0	0	0	0	0	0
Dec	0	0	0	0	0	0	0	0	0
Pool Total:	0	0	0	0	0	0	0	0	0
Annual Total:	0	0	0	0	0	0	0	0	0

2007									
SWD;GLORIETA									
Jan	0	0	0	0	0	0	0	0	0
Feb	0	0	0	0	0	0	0	0	0
Mar	0	0	0	0	0	0	0	0	0
Apr	0	0	0	0	0	0	0	0	0
May	0	0	0	0	0	0	0	0	0
Jun	0	0	0	0	0	0	0	0	0
Jul	0	0	0	0	0	0	0	0	0
Aug	0	0	0	0	0	0	0	0	0
Sep	0	0	0	0	0	0	0	0	0
Oct	0	0	0	0	0	0	0	0	0
Nov	0	0	0	0	0	0	0	0	0
Dec	0	0	0	0	0	0	0	0	0
Pool Total:	0	0	0	0	0	0	0	0	0
Annual Total:	0	0	0	0	0	0	0	0	0
2008									
SWD;GLORIETA									
Jan	0	0	0	0	0	0	0	0	0
Feb	0	0	0	0	0	0	0	0	0
Mar	0	0	0	0	0	0	0	0	0
Apr	0	0	0	0	0	0	0	0	0
May	0	0	0	0	0	0	0	0	0
Jun	0	0	0	0	0	0	0	0	0
Jul	0	0	0	0	0	0	0	0	0
Aug	0	0	0	0	0	0	0	0	0
Sep	0	0	0	0	0	0	0	0	0
Oct	0	0	0	0	0	0	0	0	0
Nov	0	0	0	0	0	0	0	0	0
Dec	0	0	0	0	0	0	0	0	0
Pool Total:	0	0	0	0	0	0	0	0	0
Annual Total:	0	0	0	0	0	0	0	0	0
2009									
SWD;GLORIETA									
Jan	0	0	0	0	0	0	0	0	0
Feb	0	0	0	0	0	0	0	0	0
Mar	0	0	0	0	0	0	0	0	0
Apr	0	0	0	0	0	0	0	0	0
May	0	0	0	0	0	0	0	0	0
Jun	0	0	0	0	0	0	0	0	0
Jul	0	0	0	0	0	0	0	0	0
Aug	0	0	0	0	0	0	0	0	0
Sep	0	0	0	0	0	0	0	0	0
Oct	0	0	0	0	0	0	0	0	0
Nov	0	0	0	0	0	0	0	0	0
Dec	0	0	0	0	0	0	0	0	0
Pool Total:	0	0	0	0	0	0	0	0	0
Annual Total:	0	0	0	0	0	0	0	0	0
2010									
SWD;GLORIETA									
Jan	0	0	0	0	0	0	0	0	0
Feb	0	0	0	0	0	0	0	0	0
Mar	0	0	0	0	0	0	0	0	0
Apr	0	0	0	0	0	0	0	0	0
May	0	0	0	0	0	0	0	0	0
Jun	0	0	0	0	0	0	0	0	0
Jul	0	0	0	0	0	0	0	0	0

Aug	0	0	0	0	0	0	0	0	0
Sep	0	0	0	0	0	0	0	0	0
Oct	0	0	0	0	0	0	0	0	0
Nov	0	0	0	0	0	0	0	0	0
Dec	0	0	0	0	0	0	0	0	0
Pool Total:	0	0	0	0	0	0	0	0	0
Annual Total:	0	0	0	0	0	0	0	0	0
2011									
SWD;GLORIETA									
Jan	0	0	0	0	0	0	0	0	0
Feb	0	0	0	0	0	0	0	0	0
Mar	0	0	0	0	0	0	0	0	0
Apr	0	0	0	0	0	0	0	0	0
May	0	0	0	0	0	0	0	0	0
Jun	0	0	0	0	0	0	0	0	0
Jul	0	0	0	0	0	0	0	0	0
Aug	0	0	0	0	0	0	0	0	0
Sep	0	0	0	0	0	0	0	0	0
Oct	0	0	0	0	0	0	0	0	0
Nov	0	0	0	0	0	0	0	0	0
Dec	0	0	0	0	0	0	0	0	0
Pool Total:	0	0	0	0	0	0	0	0	0
Annual Total:	0	0	0	0	0	0	0	0	0
2012									
SWD;GLORIETA									
Jan	0	0	0	0	0	0	0	0	0
Pool Total:	0	0	0	0	0	0	0	0	0
Annual Total:	0	0	0	0	0	0	0	0	0
Grand Total:	24638	60072	382908	99	0	0	0	0	0

Transporters
