

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

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

CASE NO. _____

APPLICATION

Goodnight Midstream Permian, LLC (“Goodnight Midstream”) (OGRID No. 372311), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-12(B)(15), for an order authorizing injection of produced salt water for purposes of disposal. In support, Goodnight Midstream states the following:

1. Attached is a complete Form C-108 application for authorization to inject which contains all the information necessary to authorize the requested approval to inject and filed with the Division for administrative approval on May 12, 2023. See C-108, attached as Exhibit A, and incorporated herein.

2. Goodnight Midstream proposes to drill a new commercial saltwater disposal well to be named the **Doc Gooden SWD #1 Well** (API No. pending), which will be located 1,596 feet from the south line and 1,334 feet from the east line (Unit J) in Section 3, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

3. The proposed injection disposal interval will be within the San Andres formation [SWD; San Andres (Pool Code 96121)] between approximately 4,200 feet and 4,900 feet below the ground through a perforated completion.

4. Disposal fluid will be produced saltwater from oil and gas wells in the area producing from the Delaware Mountain Group, Wolfcamp, and Bone Spring formations.

5. The estimated average surface injection pressure is expected to be approximately 537 psi. The maximum surface injection pressure will be 840 psi.

6. Approving this application will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. The administrative application was protested. Accordingly, Goodnight Midstream hereby requests that its application be set for hearing pursuant to 19.15.26.8(E) NMAC.

WHEREFORE, Goodnight Midstream Permian, LLC requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 6, 2023, and, after notice and hearing as required by law, the Division enter an order approving this application.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Paula M. Vance
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
jbroggi@hollandhart.com
pmvance@hollandhart.com

**ATTORNEYS FOR GOODNIGHT MIDSTREAM
PERMIAN, LLC**

CASE _____: Application of Goodnight Midstream Permian, LLC for Approval of a Saltwater Disposal Well, Lea County, New Mexico. Applicant in the above-styled cause seeks an order authorizing it to drill and operate an injection well for purposes of disposing produced salt water to be named the **Doc Gooden SWD #1 Well** (API No. pending), which will be located 1,596 feet from the south line and 1,334 feet from the east line (Unit J) in Section 3, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. Injection will be into the San Andres formation [SWD; San Andres (Pool Code 96121)] between approximately 4,200 feet and 4,900 feet below the ground through a perforated completion. Disposal fluid will be produced water from producing oil and gas wells in the area. Estimated average surface injection pressure is expected to be approximately 537 psi. The maximum surface injection pressure will be 840 psi. The subject well will be located approximately 7 miles northwest of Eunice, N.M.

EXHIBIT A

ALLCONSULTING

GOVERNMENT RELATIONS · ENERGY · PLANNING · TECHNOLOGY
ENGINEERING · ENVIRONMENTAL

May 12, 2023

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Subject: Goodnight Midstream Permian, LLC – Doc Gooden SWD # 1
Application for Authorization to Inject

To Whom It May Concern,

On behalf of Goodnight Midstream Permian, LLC (Goodnight), ALL Consulting, LLC (ALL) is submitting the enclosed Application for Authorization to Inject for the Doc Gooden SWD #1, a proposed salt water disposal well, in Lea County, NM.

Should you have any questions regarding the enclosed application, please contact Nate Alleman at (918) 382-7581 or nalleman@all-llc.com.

Sincerely,
ALL Consulting



Nate Alleman
Sr. Regulatory Specialist

RECEIVED:	REVIEWER:	TYPE:	APP NO:
-----------	-----------	-------	---------

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: _____ OGRID Number: _____
 Well Name: _____ API: _____
 Pool: _____ Pool Code: _____

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location – Spacing Unit – Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
 [I] Commingling – Storage – Measurement
 DHC CTB PLC PC OLS OLM
 [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

Nathan Allen

Signature

_____ Date

_____ Phone Number

_____ e-mail Address

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL
RESOURCES DEPARTMENT

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

FORM C-108
Revised June 10, 2003

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance X Disposal
_____ Storage Application qualifies for administrative approval? X Yes _____ No
- II. OPERATOR: Goodnight Midstream Permian, LLC
ADDRESS: 5910 N Central Expressway, Suite 850, Dallas, TX 75206
CONTACT PARTY: Grant Adams PHONE: 214-444-7388(0)
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? _____ Yes X No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
 1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
NAME: Nathan Alleman TITLE: Sr. Regulatory Specialist
SIGNATURE: Nathan Alleman DATE: 5/12/2023
E-MAIL ADDRESS: nalleman@all-llc.com
- XV. If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

Side 2

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

Application for Authorization to Inject
Well Name: Doc Gooden SWD #1

III – Well Data *(The Wellbore Diagram is included as Attachment 1)*

A.

(1) General Well Information:

Operator: Goodnight Midstream Permian, LLC (OGRID No. 372311)
Lease Name & Well Number: Doc Gooden SWD #1
Location Footage Calls: 1,596 FSL & 1,334 FEL
Legal Location: Unit Letter J, S3 T21S R36E
Ground Elevation: 3,548'
Proposed Injection Interval: 4,200' – 4,900'
County: Lea

(2) Casing Information:

Type	Hole Size	Casing Size	Casing Weight	Setting Depth	Sacks of Cement	Estimated TOC	Method Determined
Surface	17-1/2"	13-3/8"	54.5 lb./ft	1,370'	1,180	Surface	Circulation
Production	12-1/4"	9-5/8"	40.0 lb./ft	5,000'	1,400	Surface	Circulation
Tubing	N/A	5-1/2"	17.0 lb./ft	4,150'	N/A	N/A	N/A

(3) Tubing Information:

5-1/2" (composite weight string) of fiberglass-coated tubing with setting depth of 4,150'

(4) Packer Information: Baker Hornet or equivalent packer set at 4,150'

B.

(1) Injection Formation Name: San Andres

Pool Name: SWD; SAN ANDRES

Pool Code: 96121

(2) Injection Interval: Perforated injection between 4,200' – 4,900'

(3) Drilling Purpose: New Drill for Salt Water Disposal

(4) Other Perforated Intervals: No other perforated intervals exist.

(5) Overlying Oil and Gas Zones: Below are the approximate formation tops for known oil and gas producing zones in the area.

- Grayburg (3,642')

Underlying Oil and Gas Zones: Below is the approximate formation tops for known oil and gas producing zones in the area.

- Glorieta (5,205')
- Tubb (6,810')

V – Well and Lease Maps

The following maps are included in **Attachment 2**:

- 2-mile Oil & Gas Well Map
- 1/2-mile Well Detail List with Penetrating Well Casing and Plugging Information.
- Plugged Penetrating Wellbore Diagrams.
- 2-mile Lease Map
- 2-mile Mineral Ownership Map
- 2-mile Surface Ownership Map
- Potash Lease Map

VI – AOR Well List

A list of the wells within the 1/2-mile AOR is included in **Attachment 2**.

There are 21 wells that penetrate the injection zone, 12 of which has been properly plugged and abandoned, while the other 9 wells have been properly cased and cemented to isolate the San Andres. A wellbore diagram and casing information for each of these wells is included in **Attachment 2**.

VII – Proposed Operation

- (1) **Proposed Maximum Injection Rate:** 42,000 bpd
Proposed Average Injection Rate: 27,500 bpd
- (2) A closed system will be used.
- (3) **Proposed Maximum Injection Pressure:** 840 psi (surface)
Proposed Average Injection Pressure: approximately 537 psi (surface)
- (4) **Source Water Analysis:** It is expected that the injectate will consist of produced water from production wells completed in the Delaware Mountain Group (DMG), Wolfcamp, and Bone Springs formations. Analysis of water from these formations is included in **Attachment 3**.
- (5) **Injection Formation Water Analysis:** The proposed SWD will be injecting water into the San Andres formation which is a non-productive zone known to be compatible with formation water from the DMG, Wolfcamp and Bone Springs formations. Water analyses from the San Andres formation in the area are included in **Attachment 4**.

VIII – Geologic Description

The proposed injection interval includes the San Andres formation from 4,200 – 4,900 feet. The Permian San Andres formation consists of interbedded carbonates rock including dolomites, siltstones and sands. Several thick intervals of porous and permeable carbonate rock capable of taking water are present within the subject formation in the area.

The deepest underground source of groundwater (USDW) is the Rustler formation at a depth of approximately 1,345 feet. Water well depths in the area range from approximately 129 – 181 feet below ground surface.