

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

**APPLICATION OF GOODNIGHT
MIDSTREAM PERMIAN, LLC TO AMEND
ORDER NO. R-22026/SWD-2403 TO
INCREASE THE APPROVED INJECTION
RATE IN ITS ANDRE DAWSON SWD #1,
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), to amend Order No. R-22026/SWD-2403 to increase the approved maximum rate of injection in its Andre Dawson SWD #1 (API 30-025-50634) from 25,000 barrels per day (bpd) to 40,000 bpd. All other conditions of the approved permit under Order No. R-22026/SWD-2403 would remain unchanged. In support, Goodnight Midstream states the following:

1. Attached is a complete administrative application requesting approval to increase the authorized maximum rate of injection in the Andre Dawson SWD #1 filed with the Division for administrative approval on April 10, 2023. See **Exhibit A**, attached and incorporated herein.

2. The well is located 1,105 feet from the South line and 244 feet from the East line (Unit P) of Section 17, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. All other conditions of the approved permit are proposed to remain the same.

3. The well is approved as a produced water disposal well under Order No. R-2206/SWD-2403 to inject into the San Andres formation through a perforated interval from

approximately 4,287 feet to 5,590 feet below the surface at maximum surface injection pressure of 857 psi. The maximum surface injection pressure will remain unchanged.

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

5. The administrative application was protested. Accordingly, Goodnight Midstream hereby requests this 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 October 5, 2023, and, after notice and hearing as required by law, the Division enter an order approving this application.

Respectfully submitted,

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**ATTORNEYS FOR GOODNIGHT MIDSTREAM
PERMIAN, LLC**

CASE _____:

Application of Goodnight Midstream Permian, LLC to Amend Order No. R-22026/SWD-2403 to Increase the Approved Injection Rate in its Andre Dawson SWD #1, Lea County, New Mexico. Applicant in the above-styled cause seeks an order authorizing it to increase the rate of injection through its Andre Dawson SWD # 1 (API 30-025-50634) from 25,000 to 40,000 barrels per day. The well is located 1,105 feet from the South line and 244 feet from the East line (Unit P) of Section 17, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. All other conditions of the approved permit are proposed to remain the same. The well is approved as a produced water disposal well under Order No. R-2206 and SWD-2403 to inject into the San Andres formation through a perforated interval from approximately 4,287 feet to 5,590 feet below the surface at maximum surface injection pressure of 857 psi. The subject well is located approximately 8 miles west of Eunice, N.M.

ALL CONSULTING

GOVERNMENT RELATIONS · ENERGY · PLANNING · TECHNOLOGY
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April 10, 2023

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

Subject: Goodnight Midstream Permian, LLC –Andre Dawson SWD #1
Injection Rate Increase Request (SWD-2403/R-22026).

To Whom It May Concern,

On behalf of Goodnight Midstream Permian, LLC (Goodnight), ALL Consulting, LLC (ALL) is requesting an increase to the maximum injection rate from 25,000 to 40,000 bbl/day for the Andre Dawson SWD #1, a Class IID injection well in Lea County, New Mexico. All other conditions of the approved UIC permit remain the same (Approved On: 02/07/2022). The approval of this injection rate increase request would provide additional disposal capacity for operators, while deferring the need for additional SWDs in the area.

According to a review of NMOCD well data records, there are no new wells within the ½-mile AOR; however, there are two new affected parties within the AOR due to a change in well operator. In support of this request, the following items have been attached:

- UIC Permit SWD – 2403
- Public Notice Affidavit
- Affected Party Analysis & Proof of Notice.
 - Mineral Lease AOR Map
 - Oil & Gas Well AOR Map
 - AOR Well Table
 - Affected Party Notification Analysis
 - Certified Mailing Receipts

If you have any questions, or if I may clarify any specific points, please feel free to call me at (918) 382-7581 or e-mail me at nalleman@all-llc.com.

Sincerely,
ALL Consulting



Nate Alleman
Sr. Regulatory Specialist

Attachment

UIC Permit SWD – 2403

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

**IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION DIVISION FOR THE
PURPOSE OF CONSIDERING:**

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

**CASE NO. 21569
ORDER NO. R-22026**

ORDER OF THE DIVISION

This case came in for hearing before the Oil Conservation Division (“OCD”) at 8:15 a.m. on January 21, 2021, in Santa Fe, New Mexico.

The OCD Director, having considered the testimony, the record, the recommendations of Hearing Examiners Kathleen Murphy and Dylan Rose-Coss, these findings of fact, and conclusions of law issues this Order.

FINDINGS OF FACT

1. Due public notice has been given, and the Oil Conservation Division (“OCD”) has jurisdiction of this case and the subject matter.
2. Goodnight Midstream Permian, LLC (“Applicant”) seeks authority to utilize its Andre Dawson SWD No. 1 Well (API No. 30-025-Pending; “Well”), located 1105 feet from the South line and 244 feet from the East line (Unit P) of Section 17, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, as an Underground Injection Control (“UIC”) Class II well for disposal of produced water into the San Andres formation through a perforated interval from 4287 feet to 5590 feet below surface.
3. Applicant submitted a Form C-108 application (Administrative Application No. pBL2032263200) on November 17, 2020, for authority to inject into the Well which was protested by the New Mexico State Land Office (“NMSLO”).
4. On December 8, 2020, Applicant submitted an application for hearing for approval of the Well for commercial disposal of produced water. Subsequently, the NMSLO filed an entry of appearance for this application on December 31, 2020.

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Order No. R-22026
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5. Applicant provided affidavits at hearing through counsel that presented geologic and engineering evidence in support of the approval of injection authority for the Well.
6. Applicant did not identify any wells that penetrate the proposed injection interval within the one-half mile Area of Review of the surface location of the Well.
7. Three shallow freshwater wells were located within one mile of the Well and a sample of the CP 01485 POD1 well with the results is included in the application.
8. The NMSLO did not appear at hearing and did not oppose the presentation of the case by affidavit nor oppose the granting of this application. The NMSLO provided a statement into record expressing their concern for the spacing of disposal wells and the potential impacts to adjacent state mineral interests.
9. No other party appeared at the hearing, or otherwise opposed the granting of this application.

The OCD concludes as follows:

10. Applicant provided the information required by 19.15.26 NMAC and the Form C-108 for an application to inject produced water into a Class II UIC well.
11. Applicant complied with the notice requirements of 19.15.4 NMAC.
12. Applicant affirmed in a sworn statement by a qualified person that it examined the available geologic and engineering data and found no evidence of open faults or other hydrologic connections between the approved injection interval and any underground sources of drinking water.
13. Applicant is in compliance with 19.15.5.9 NMAC.
14. Approval of disposal in the Well will enable Applicant to support existing production and future exploration in this area, thereby preventing waste while not impairing correlative rights and protecting fresh water or underground sources of drinking water.

IT IS THEREFORE ORDERED THAT:

1. Goodnight Midstream Permian, LLC is hereby authorized by **UIC Permit SWD-2403** to utilize its Andre Dawson SWD No. 1 Well, located in Unit P of Section 17, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, for the commercial disposal of UIC Class II fluids into the San Andres formation.
2. Jurisdiction is retained by the OCD for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the

Case No. 21569
Order No. R-22026
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requirements in this order; whereupon the OCD may, after notice and hearing or prior to notice and hearing in event of an emergency, terminate the disposal authority granted herein.

DONE at Santa Fe, New Mexico, on this 07 day of February, 2022.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ADRIENNE SANDOVAL
DIRECTOR**

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

UIC CLASS II PERMIT SWD-2403

APPENDIX A – AUTHORIZED INJECTION

Permittee: Goodnight Midstream Permian, LLC

OGRID No.: 372311

Well name: Andre Dawson SWD No. 1

Surface location: Lat: N 32.4745582; Long: W 103.2797418; NAD83
1105 feet from the South line and 244 feet from the East line (Unit P) of
Section 17, Township 21 South, Range 36 East, NMPM, Lea County, New
Mexico.

Bottom hole location (if different): NA

Type of completion: Perforations

Type of injection: Commercial

Injection fluid: Produced water from production wells completed in the Bone Spring, Delaware
Mountain Group, and Wolfcamp formations.

Injection interval: San Andres Formation

Injection interval thickness (feet): 4,287 feet to 5,590 feet (1,303 feet)

Confining layer(s): Upper confining: base of Grayburg Formation and upper San Andres
Formation
Lower confining: upper contact of Glorieta Formation

Prohibited injection interval(s): Paddock or deeper formations.

Liner, tubing, and packer set: No liner; 5.5-inch lined tubing with packer set within 100 feet of
uppermost perforation.

Maximum daily injection rate: 25,000 barrels of water.

Maximum surface injection pressure: 857 psi

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

UIC CLASS II PERMIT SWD- 2261

Pursuant to the Oil and Gas Act, NMSA 1978, §§70-2-1 *et seq.*, (“Act”) and its implementing regulations, 19.15.1 *et seq.* NMAC, (“Rules”) and the federal Safe Drinking Water Act, 42 U.S.C. 300f *et seq.*, and its implementing regulations, 40 CFR 144 *et seq.*, the Oil Conservation Division (“OCD”) issues this Permit to Goodnight Midstream Permian, LLC (“Permittee”) to authorize the construction and operation of a well to inject produced water at the location and under the terms and conditions specified in this Permit and Appendix A.

I. GENERAL CONDITIONS

A. AUTHORIZATION

1. Scope of Permit. This Permit authorizes the injection of produced water into the well described on Appendix A (“Well”). Any injection not specifically authorized by this Permit is prohibited. Permittee shall be the “operator” of the Well as defined in 19.15.2.7(O)(5) NMAC.

a. Injection is limited to the approved injection interval described in Appendix A. Permittee shall not allow the movement of fluid containing any contaminant into an underground source of drinking water (“USDW”) if the presence of that contaminant may cause a violation of a Primary Drinking Water Regulation adopted pursuant to 40 CFR Part 142 or that may adversely affect the health of any person. [40 CFR 144.12(a)]

b. The wellhead injection pressure for the Well shall not exceed the value identified in Appendix A.

c. Permittee shall not commence to drill, convert, or recomplete the Well until receiving this approval and until OCD approves a Form C-101 Application for Permit to Drill (“APD”) pursuant to 19.15.14 NMAC or receives an approved federal Form 3160-3 APD for the Well. [40 CFR 144.11; 19.15.14.8 and 19.15.26.8 NMAC]

d. Permittee shall not commence injection into the Well until the Permittee complies with the conditions in Section I. C. of this Permit.

e. This Permit authorizes injection of any UIC Class II fluid or oil field waste defined in 19.15.2.7(E)(6) NMAC.

f. This Permit does not authorize injection for an enhanced oil recovery project as defined in 19.15.2.7(E)(2) NMAC.

2. Notice of Commencement. Permittee shall provide written notice on Form C-103 to OCD E-Permitting and notify OCD Engineering Bureau by email of the submittal no later than two (2) business days following the date on which injection commenced into the Well. [19.15.26.12(B) NMAC]

3. Termination. Unless terminated sooner, this Permit shall remain in effect for a term of twenty (20) years beginning on the date of issuance. Permittee may submit an application for a new permit prior to the expiration of this Permit. If Permittee submits an application for a new permit, then the terms and conditions of this Permit shall remain in effect until OCD denies the application or grants a new permit.

a. This Permit shall terminate one (1) year after the date of issuance if Permittee has not commenced injection into the Well, provided, however, that OCD may grant a single extension of no longer than one (1) year for good cause shown. Permittee shall submit a written request for an extension to OCD Engineering Bureau no later than thirty (30) days prior to the deadline for commencing injection.

b. One (1) year after the last date of reported injection into the Well, OCD shall consider the Well abandoned, the authority to inject pursuant to this Permit shall terminate automatically, and Permittee shall plug and abandon the Well as provided in Section I. E. of this Permit. Upon receipt of a written request by the Permittee no later than one year after the last date of reported injection into the Well, OCD may grant an extension for good cause. [19.15.26.12(C) NMAC]

B. DUTIES AND REQUIREMENTS

1. Duty to Comply with Permit. Permittee shall comply with the terms and conditions of this Permit. Any noncompliance with the terms and conditions of this Permit, or of any provision of the Act, Rules or an Order issued by OCD or the Oil Conservation Commission, shall constitute a violation of law and is grounds for an enforcement action, including revocation of this Permit and civil and criminal penalties. Compliance with this Permit does not relieve Permittee of the obligation to comply with any other applicable law, or to exercise due care for the protection of fresh water, public health and safety and the environment. The contents of the Application and Appendix A shall be enforceable terms and conditions of this Permit. [40 CFR 144.51(a); 19.15.5 NMAC]

2. Duty to Halt or Reduce Activity to Avoid Permit Violations. Permittee shall halt or reduce injection to avoid a violation of this Permit or other applicable law. It shall not be a defense in an enforcement action for Permittee to assert that it would have been necessary to halt or reduce injection in order to maintain compliance with this Permit. [40 CFR 144.51(c)]

3. Duty to Mitigate Adverse Effects. Permittee shall take all reasonable steps to minimize, mitigate and correct any waste or effect on correlative rights, public health, or the

environment resulting from noncompliance with the terms and conditions of this Permit. [40 CFR 144.51(d)]

4. Duty to Operate and Maintain Well and Facilities. Permittee shall operate and maintain the Well and associated facilities in compliance with the terms and conditions of this Permit. [40 CFR 144.51(e)]

5. Duty to Provide Information. In addition to any other applicable requirement, Permittee shall provide to OCD by the date and on the terms specified by OCD any information which OCD requests for the purpose of determining whether Permittee is complying with the terms and conditions of this Permit. [40 CFR 144.51(h)]

6. Private Property. This Permit does not convey a property right or authorize an injury to any person or property, an invasion of private rights, or an infringement of state or local law or regulations. [40 CFR 144.51(g)]

7. Inspection and Entry. Permittee shall allow OCD's authorized representative(s) to enter upon the Permittee's premises where the Well is located and where records are kept for the purposes of this Permit at reasonable times and upon the presentation of credentials to:

- a. Inspect the Well and associated facilities;
- b. Have access to and copy any record required by this Permit;
- c. Observe any action, test, practice, sampling, measurement or operation of the Well and associated facilities; and
- d. Obtain a sample, measure, and monitor any fluid, material or parameter as necessary to determine compliance with the terms and conditions of this Permit. [40 CFR 144.51(i)]

8. Certification Requirement. Permittee shall sign and certify the truth and accuracy of all reports, records, and documents required by this Permit or requested by OCD. [40 CFR 144.51(k)]

9. Financial Assurance. Permittee shall provide and maintain financial assurance for the Well in the amount specified by OCD until the Well has been plugged and abandoned and the financial assurance has been released by OCD. [40 CFR 144.52; 19.15.8.12 NMAC]

C. PRIOR TO COMMENCING INJECTION

1. Construction Requirements.

- a. Permittee shall construct the Well as described in the Application,

Appendix A and as required by the Special Conditions.

b. Permittee shall construct and operate the Well in a manner that ensures the injected fluid enters only the approved injection interval and is not permitted to escape to other formations or onto the surface.

2. Tests and Reports. Permittee shall complete the following actions prior to commencing injection in the Well.

a. Permittee shall obtain and comply with the terms and conditions of an approved APD prior to commencing drilling of the Well, or other OCD approval, as applicable, prior to converting or recompleting the Well. If the APD is approved by the OCD, the Well shall be subject to the construction, testing, and reporting requirements of 19.15.16 NMAC.

b. Permittee shall circulate to surface the cement for the surface and intermediate casings. If cement does not circulate on any casing string, Permittee shall run a cement bond log ("CBL") to determine the top of cement, then notify the OCD Engineering Bureau and the appropriate OCD Inspection Supervisor and submit the CBL prior to continuing with any further cementing on the Well. If the cement did not tie back into next higher casing shoe, Permittee shall perform remedial cement action to bring the cement to a minimum of two hundred (200) feet above the next higher casing shoe.

c. If a liner is approved for the construction of the Well, Permittee shall run and submit to OCD E-Permitting and notify the OCD Engineering Bureau by email, a CBL for the liner to demonstrate placement cement and the cement bond with the tie-in for the casing string.

d. Permittee shall submit to the appropriate OCD Engineering Bureau the mudlog, geophysical logs, and a summary of depths (picks) for the contacts of the formations demonstrating that only the permitted formation is open for injection. OCD may amend this Permit to specify the depth of the approved injection interval within the stratigraphic interval requested in the application. If Permittee detects a hydrocarbon show during the drilling of the Well, it shall notify OCD Engineering Bureau by email and obtain written approval prior to commencing injection into the Well.

e. Permittee shall obtain and submit to the OCD E-permitting on a Form C-103 a calculated or measured static bottom-hole pressure measurement representative of the completion in the approved injection interval.

f. Permittee shall conduct an initial mechanical integrity test ("MIT") on the Well in compliance with the terms and conditions of this Permit and 19.15.26 NMAC, and shall not commence injection into the Well until the results of the

initial MIT have been approved by the appropriate OCD Inspection Supervisor. [19.15.26.11(A) NMAC]

g. OCD retains authority to require a wireline verification of the completion and packer setting depths in this Well. [19.15.26.11(A) NMAC]

D. OPERATION

1. Operation and Maintenance.

a. Permittee shall equip, operate, monitor and maintain the Well to facilitate periodic testing, assure mechanical integrity, and prevent significant leaks in the tubular goods and packing materials used and significant fluid movements through vertical channels adjacent to the well bore. [19.15.26.10(A) NMAC]

b. Permittee shall operate and maintain the Well and associated facilities in a manner that confines the injected fluid to the approved injection interval and prevents surface damage and pollution by leaks, breaks and spills. [19.15.26.10(B) NMAC]

c. OCD may authorize an increase in the maximum surface injection pressure upon a showing by the Permittee that such higher pressure will not result in the migration of the disposed fluid from the approved injection interval or induced seismicity. Such proper showing shall be demonstrated by sufficient evidence, including an acceptable step-rate test.

d. If OCD has reason to believe that operation of the Well may have caused or determined to be contributing to seismic activity, Permittee shall, upon OCD's written request:

i. Take immediate corrective action, which could include testing and evaluating of the injection interval and confining layers; suspending or reducing of the rate of injection or maximum surface injection pressure, or both; and providing increased monitoring of the Well's operation; and

ii. Submit a remedial work plan or an application to modify the Permit to implement the corrective action, plug back the injection interval, or incorporate another modification required by OCD.

OCD may approve the remedial work plan, modify the Permit or issue an emergency order or temporary cessation order as it deems necessary.

2. Pressure Limiting Device.

a. The Well shall be equipped with a pressure limiting device, which is in workable condition and can be tested for proper calibration at the well site, that shall limit surface tubing pressure to the maximum surface injection pressure specified in Appendix A.

b. Permittee shall test the pressure limiting device and all gauges and other metering requirement to ensure their accuracy and proper function no less than every five (5) years.

3. Mechanical Integrity. Permittee shall conduct a MIT prior to commencing injection, at least every five (5) years after the date of the previous MIT, and whenever the tubing is removed or replaced, the packer is reset, mechanical integrity is lost, Permittee proposes to transfer the Well, or requested by OCD.

a. MITs shall be conducted in accordance with 19.15.26 NMAC.

b. Permittee shall submit a sundry notice on Form C-103 of intent to install or replace injection equipment or conduct a MIT no later than three (3) business days prior to the event.

c. Permittee shall report the result of a MIT no later than two (2) business days after the test.

d. Permittee shall cease injection and shut-in the Well no later than twenty-four (24) hours after discovery if:

i. The Well fails a MIT; or

ii. Permittee observes conditions at the Well that indicate the mechanical failure of tubing, casing, or packer.

e. Permittee shall take all necessary actions to address the effects resulting from the loss of mechanical integrity in accordance with 19.15.26.10 NMAC.

f. Permittee shall conduct a successful MIT pursuant to 19.15.26.11 NMAC, including written approval from OCD prior to recommencing injection and the requirements contained in Section I G.3.

4. Additional Tests. Permittee shall conduct any additional test requested by OCD, including but not limited to step-rate tests, tracer surveys, injection surveys, noise logs, temperature logs, and casing integrity logs [19.15.26.11(A)(3) NMAC]

5. Records.

a. Permittee shall retain a copy of each record required by this Permit for a period of at least five (5) years and shall furnish a copy to OCD upon request. [40 CFR 144.51(h)]

b. Permittee shall retain a record of each test, sample, measurement, and certification of accuracy and function collected for the Well, including:

- i. Date, location, and time of sample, measurement or calibration;
- ii. Person who conducted the sample event, -measurement or calibration;
- iii. Calibration of gauge or other equipment in accordance with the manufacturer's specifications;
- iv. Description of method and procedures;
- v. Description of handling and custody procedures; and
- vi. Result of the analysis.

E. PLUGGING AND ABANDONMENT

1. Upon the termination of this Permit, Permittee shall plug and abandon the Well and restore and remediate the location in accordance with 19.15.25 NMAC.

2. If Permittee has received an extension pursuant to Section I. A. 2. b., Permittee shall apply for approved temporary abandonment pursuant to 19.15.25 NMAC.

3. If this Permit expires pursuant to 19.15.26.12 NMAC and OCD has not issued a new permit, then Permittee shall plug and abandon the Well and restore and remediate the location in accordance with 19.15.25 NMAC.

4. Permittee's temporary abandonment of the Well shall not toll the abandonment of injection in accordance with 19.15.26.12(C) NMAC.

F. REPORTING

1. **Monthly Reports.** Permittee shall submit a report using Form C-115 using the OCD's web-based online application on or before the 15th day of the second month following the month of injection, or if such day falls on a weekend or holiday, the first workday following the 15th, with the number of days of operation, injection volume, and injection pressure. [19.15.26.13 NMAC; 19.15.7.24 NMAC]

2. Corrections. Permittee shall promptly disclose to OCD any incorrect information in the Application or any record required by this Permit and submit corrected information. [40 CFR 144.51(h)(8)]

G. CORRECTIVE ACTION

1. Releases. Permittee shall report any unauthorized release of injection fluid at the Well or associated facilities in accordance with 19.15.29 and 19.15.30 NMAC.

2. Failures and Noncompliance. Permittee shall report the following incidents to appropriate OCD Inspection Supervisor and OCD Engineering Bureau verbally and by e-mail no later than 24 hours after such incident:

a. Any mechanical integrity failures identified in Section I. D. 3. d;

b. The migration of injection fluid from the injection interval [19.15.26.10 NMAC]; or

c. A malfunction of the Well or associated facilities that may cause waste or affect the public health or environment, including: (a) monitoring or other information which indicates that a contaminant may affect a USDW; or (b) noncompliance or malfunction which may cause the migration of injection fluid into or between USDWs. [40 CFR 144.51(l)(6)]

3. Corrective Action. Permittee shall submit a written report describing the incident in Sections I.G.1 or I.G.2, including a corrective active plan, no later than five (5) calendar days after discovery of the incident. [40 CFR 144.51(l)(6)] For an unauthorized release, Permittee also shall comply with the site assessment, characterization and remediation requirements of 19.15.29 and 19.15.30 NMAC.

4. Restriction or Shut-In. OCD may restrict the injected volume and pressure or shut-in the Well if OCD determines that the Well has failed or may fail to confine the injected fluid to the approved injection interval or has caused induced seismicity until OCD determines that Permittee has identified and corrected the failure. [19.15.26.10(E) NMAC]

H. PERMIT CHANGES

1. Transfer. This Permit shall not be transferred without the prior written approval of OCD. Permittee shall file Form C-145 for a proposed transfer of the Well. OCD may require, as a condition of approving the transfer, that this Permit be amended to ensure compliance and consistency with applicable law. If the Well has not been spud prior to the transfer, the OCD may require that the new operator reapply and submit to the OCD a new Form C-108 prior to constructing and injecting into the well. [19.15.26.15 NMAC; 19.15.9.9 NMAC]

2. Insolvency. Permittee shall notify OCD Engineering Bureau of the commencement of a voluntary or involuntary proceeding in bankruptcy which names Permittee or an entity which operates the Well on behalf of Permittee as a debtor no later than ten (10) business days after the commencement of the proceeding.

3. OCD Authority to Modify Permit and Issue Orders

a. The OCD may amend, suspend, or revoke this Permit after notice and an opportunity for hearing if it determines that:

i. The Permit contains a material mistake;

ii. Permittee made an incorrect statement on which OCD relied to establish a term or condition of the Permit or grant this Permit;

iii. this Permit must be amended to ensure compliance and consistency with applicable law, including a change to the financial assurance requirements;

iv. The Well's operation may affect the water quality of fresh water;

v. Injected fluid is escaping from the approved injection interval;

vi. Injection may be caused or contributed to seismic activity:
or

vii. Injection may cause or contribute to the waste of oil, gas or potash resources or affect correlative rights, public health, or the environment.

b. OCD retains jurisdiction to enter such orders as it deems necessary to prevent waste and to protect correlative rights, protect public health, and the environment.

c. OCD retains jurisdiction to review this Permit as necessary and no less than once every five (5) years, and may determine whether this Permit should be modified, revoked and reissued, or terminated. [40 CFR 144.36(a)]

4. Permittee Request to Modify Permit. Permittee may apply to modify the terms of this Permit.

a. **Minor Modifications.** OCD may make a minor modification to this Permit without notice and an opportunity for hearing for:

- i. Non-substantive changes such as correction of typographical errors;
- ii. Requirements for more frequent monitoring or reporting;
- iii. Changes to the Well construction requirements provided that any alteration shall comply with the conditions of the Permit and does not change the Area of Review considered in the application for the Permit;
- iv. Amendments to the plugging and abandonment plan;
- v. Changes in the types of fluids injected which are consistent with sources listed in the application for the Permit and do not change the classification of the Well;
- vi. Corrections of the actual injection interval if within the approved formation; or
- vii. Transfer of a Permit for a Well that has been spud. [40 CFR 144.41]

b. **Major Modifications.** OCD shall require notice and an opportunity for hearing for any modification that is not minor. For such modifications, Permittee shall submit Form C-108 and comply with the notice requirements of 19.15.26 NMAC.

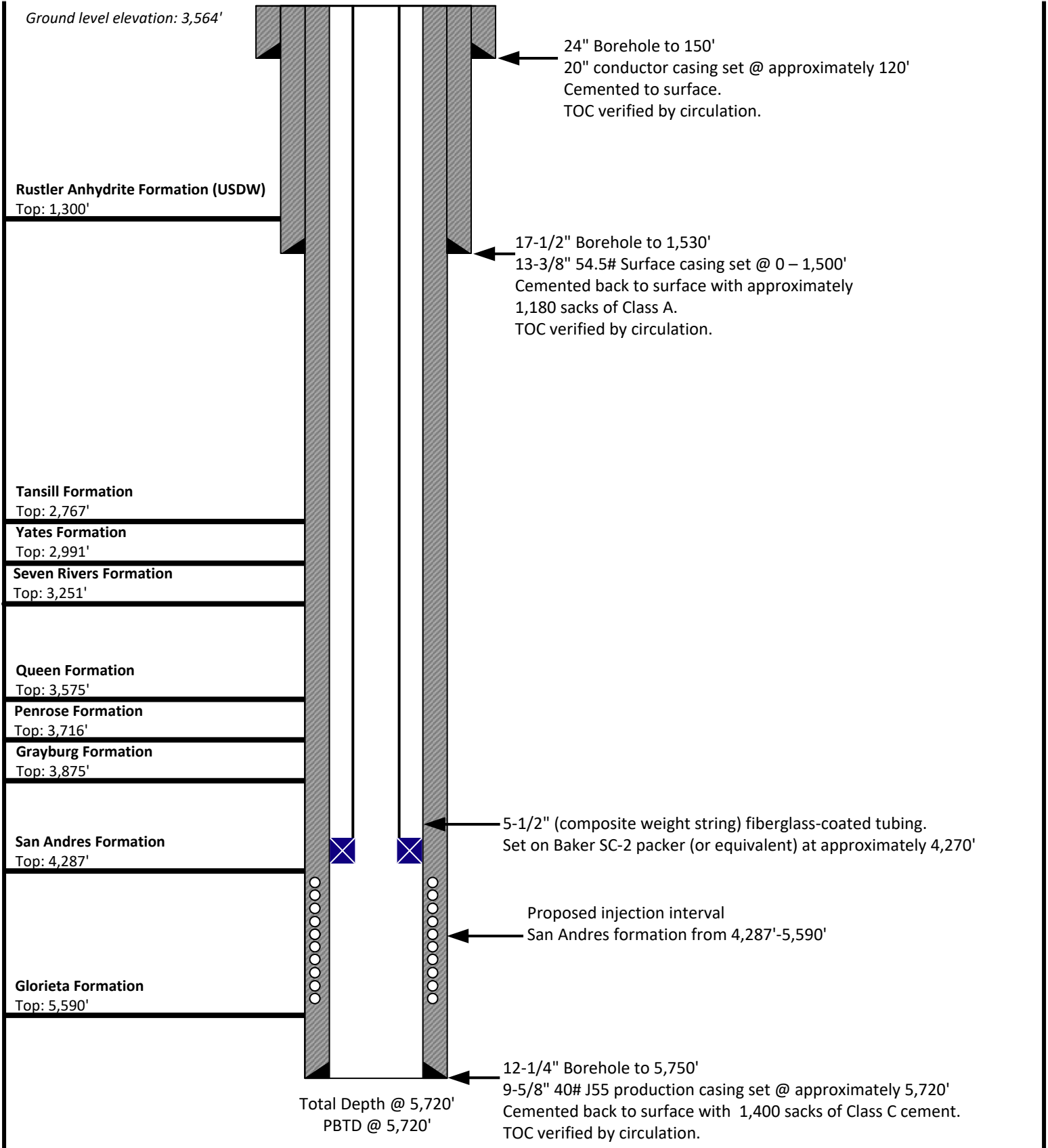
II. SPECIAL CONDITIONS

Permittee shall comply with the following special conditions:

1. The Permittee shall obtain a water sample for analysis of hydrocarbon content as well as general water chemistry (including major cations, major anions, and Total Dissolved Solids (TDS)). Prior to commencing injection, the Permittee shall supply the results of the water sample in an e-mail submittal to the OCD Engineering Bureau. *If the analysis of the sample is found to contain a TDS concentration of 10000 mg/L or less, the injection authority under this Order shall be suspended ipso facto.*

III. ATTACHMENT

Well Completion Diagram as Provided in the C-108 Application for Case No. 21569.



NOT TO SCALE

Cement volumes include 25% excess.

Proposed Maximum Injection Rate: 25,000 BPD

Prepared by:
ALLCONSULTING
Prepared for:
GOODNIGHT
MIDSTREAM

Drawn by: Joshua Ticknor

Project Manager:
Dan Arthur

Date: 11/4/2020

Goodnight Midstream Permian, LLC
Andre Dawson SWD #1
API# TBD
1,105' FSL & 244' FEL, Unit P of Sec 17-T21S-R36E
Lea County, New Mexico

Public Notice Affidavit

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
April 05, 2023
and ending with the issue dated
April 05, 2023.



Publisher

Sworn and subscribed to before me this
5th day of April 2023.



Business Manager

My commission expires
January 29, 2027

(Seal)
STATE OF NEW MEXICO
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087526
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL NOTICE
April 5, 2023

REQUEST TO MODIFY CLASS II UIC PERMIT

NOTICE IS HEREBY GIVEN: That Goodnight Midstream Permian, LLC, 5910 N Central Expressway, Suite 850, Dallas, TX 75206, is requesting the New Mexico Oil Conservation Division administratively approve a modification to the maximum injection rate from 25,000 to 40,000 barrels per day (bbl/day) to UIC Class II Permit SWD-2403.

PURPOSE: The intended purpose of the injection well is to dispose of salt water produced from permitted oil and gas wells.

WELL NAME AND LOCATION:
Andre Dawson SWD #1
Located approximately 7.48 miles northwest of Eunice, NM
SE ¼ SE ¼, Section 17, Township 21S, Range 36E
1.105' FSL & 244' FEI
Lea County, NM

NAME AND DEPTH OF DISPOSAL ZONE:
San Andres (4,287' - 5,590')

EXPECTED MAXIMUM INJECTION RATE:
40,000 bbl/day

EXPECTED MAXIMUM INJECTION PRESSURE:
857 psi (surface)

Objections or requests for hearing must be filed with the New Mexico Oil Conservation Division within fifteen (15) days. Any objection or request for hearing should be mailed to the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505.

Additional information may be obtained by contacting Nate Alleman at 918-382-7581.
#00277450

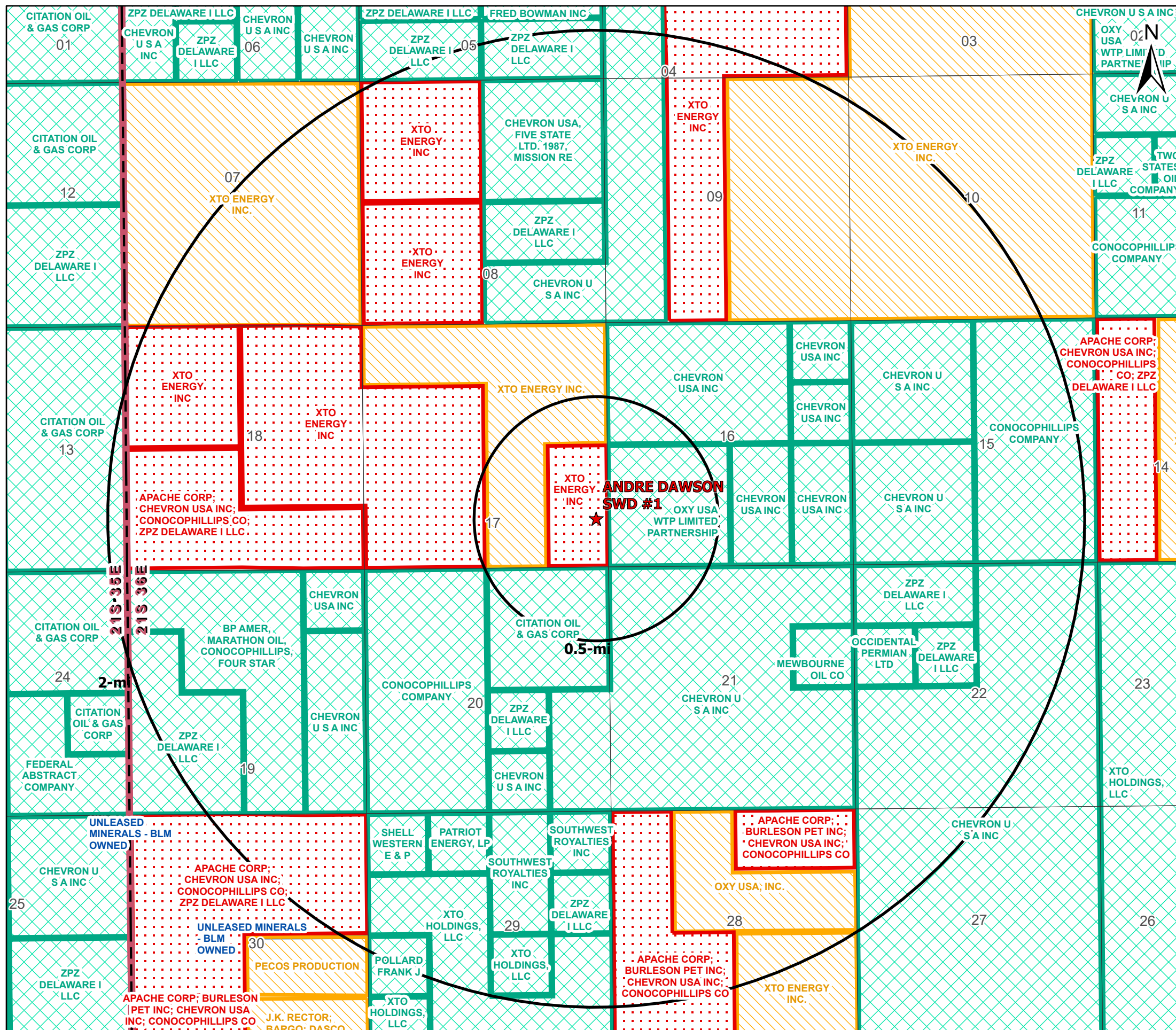
67115320

00277450

DANIEL ARTHUR
ALL CONSULTING
1718 S. CHEYENNE AVE.
TULSA, OK 74119

Affected Party Analysis & Proof of Notice:

Mineral Lease AOR Map
Oil & Gas Well AOR Map
AOR Well Table
Affected Party Notification Analysis
Certified Mailing Receipts



Legend

- ★ Proposed SWD
- Unleased Minerals - BLM Owned
- Unleased Minerals/Unknown - Private Owned
- Private Mineral Leases
- BLM Mineral Leases
- NMSLO Mineral Leases

Mineral Lease Area of Review

ANDRE DAWSON SWD #1 LEA COUNTY, NEW MEXICO

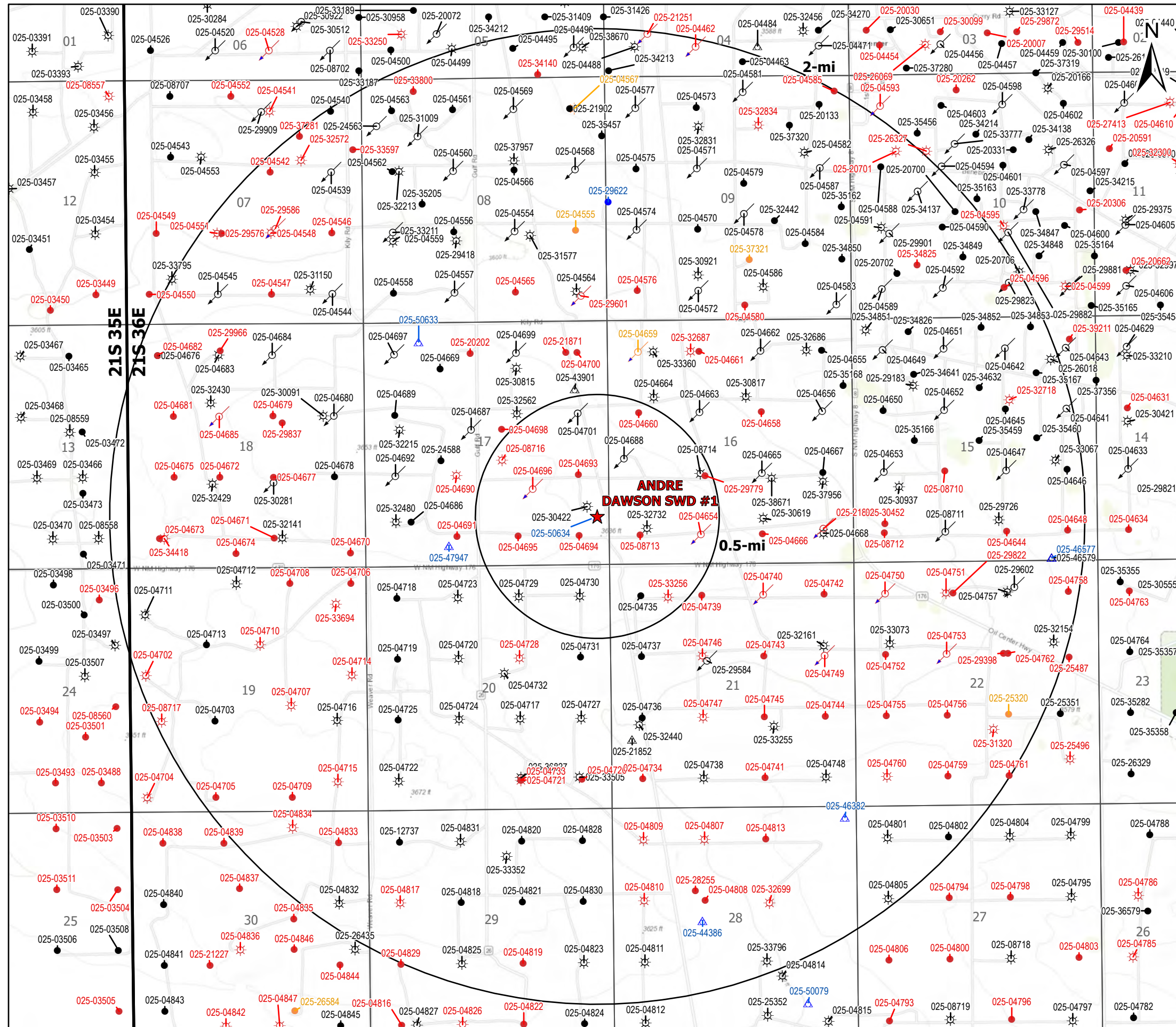
Proj Mgr:
Nate Alleman

February 01, 2023

Mapped by:
Ben Bockelmann

Prepared for:
GOODNIGHT
MIDSTREAM

Prepared by:
ALLCONSULTING



Legend

- ★ Proposed SWD
- ⊛ Gas, Active (117)
- ⊛ Gas, Plugged (48)
- ⊛ Gas, Temporarily Abandoned (1)
- ⊙ Injection, Active (71)
- ⊙ Injection, Plugged (14)
- ⊙ Injection, Temporarily Abandoned (1)
- Oil, Active (135)
- Oil, New (1)
- Oil, Plugged (126)
- Oil, Temporarily Abandoned (4)
- △ Salt Water Injection, Active (4)
- △ Salt Water Injection, New (7)
- △ Salt Water Injection, Plugged (1)

Source Info: NMOCD O&G Wells updated 1/17/2023
 (https://www.emnrd.nm.gov/ocd/ocd-data/ftp-server/)

O&G Wells Area of Review

ANDRE DAWSON SWD #1

LEA COUNTY, NEW MEXICO

Proj Mgr:
Nate Alleman

February 01, 2023

Mapped by:
Ben Bockelmann

Prepared for:
GOODNIGHT
 MIDSTREAM

Prepared by:
ALLCONSULTING

AOR Tabulation for Andre Dawson SWD #1 (Top of Injection Interval: 4,287')							
Well Name	API#	Well Type	Operator	Spud Date	Location (Sec., Tn., Rng.)	Total Vertical Depth (feet)	Penetrate Inj. Zone?
EUNICE MONUMENT SOUTH UNIT #422	30-025-04654	Plugged	CHEVRON U S A INC	8/7/2002	N-16-21S-36E	Plugged (4,065)	No
EUNICE MONUMENT SOUTH UNIT #381	30-025-04660	Plugged	CHEVRON U S A INC	3/6/1935	E-16-21S-36E	Plugged (4,150)	No
EUNICE MONUMENT SOUTH UNIT #404	30-025-04688	Injection	Empire New Mexico LLC	5/20/1935	L-16-21S-36E	4,026	No
EUNICE MONUMENT SOUTH UNIT #405	30-025-04693	Plugged	CHEVRON U S A INC	9/30/1956	I-17-21S-36E	Plugged (4,084)	No
EUNICE MONUMENT SOUTH UNIT #420	30-025-04694	Plugged	CHEVRON U S A INC	Unknown*	P-17-21S-36E	Plugged (4,071)	No
EUNICE MONUMENT SOUTH UNIT #419	30-025-04695	Plugged	XTO ENERGY, INC	8/23/1935	O-17-21S-36E	Plugged (4,101)	No
EUNICE MONUMENT SOUTH UNIT #406	30-025-04696	Plugged	Empire New Mexico LLC	1/21/2013	J-17-21S-36E	Plugged (4,116)	No
EUNICE MONUMENT SOUTH UNIT #380	30-025-04701	Injection	Empire New Mexico LLC	10/21/1934	H-17-21S-36E	4,095	No
DEVONIAN STATE #002	30-025-04729	Gas	CITATION OIL & GAS CORP	7/6/1935	B-20-21S-36E	3,729	No
DEVONIAN STATE #003	30-025-04730	Gas	CITATION OIL & GAS CORP	10/26/1935	A-20-21S-36E	3,934	No
EUNICE MONUMENT SOUTH UNIT #440	30-025-04735	Oil	Empire New Mexico LLC	11/17/1935	D-21-21S-36E	4,072	No
EUNICE MONUMENT SOUTH UNIT #421	30-025-08713	Plugged	CHEVRON U S A INC	8/30/1935	M-16-21S-36E	Plugged (3,941)	No
STATE C #003	30-025-08714	Gas	J R OIL, LTD. CO.	11/16/1935	K-16-21S-36E	3,851	No
COLEMAN #001	30-025-08716	Plugged	CIMAREX ENERGY CO. OF COLORADO	3/24/2011	J-17-21S-36E	Plugged (4,005)	No
EUNICE MONUMENT SOUTH UNIT #403	30-025-29779	Plugged	Empire New Mexico LLC	2/18/1987	K-16-21S-36E	Plugged (4,200)	No
MEYER B 17 #003	30-025-30422	Gas	PENROC OIL CORP	8/10/1988	P-17-21S-36E	3,750	No
STATE C #005	30-025-32732	Gas	J R OIL, LTD. CO.	11/16/1994	M-16-21S-36E	3,900	No
ARNO TT RAMSAY NCT C #019	30-025-33256	Plugged	CONOCOPHILLIPS COMPANY	2/20/1996	D-21-21S-36E	Plugged (3,775)	No

Notes:

- No wells within a 1/2-mile AOR penetrated the injection interval.
- Unknown* - Indicates that there was no spud date available from the NM OCD Imaging - Well File Search.

Andre Dawson SWD #1 - Affected Party Notification Analysis				
Entity	Address	City	State	Zip Code
Land Owner				
Monte Guy Morton	P.O. Box 917	Denton	TX	76202
Mineral Owner				
New Mexico BLM	620 E Greene St.	Carlsbad	NM	88220
OCD District				
NMOCD District 1	1625 N. French Drive	Hobbs	NM	88240
Leasehold Operators				
Chevron USA, Inc. (CHEVRON USA INC, CHEVRON U S A INC)	6301 Deauville Blvd	Midland	TX	79706
Citation Oil & Gas Corporation (CITATION O&G CORP, CITATION OIL AND GAS CORP)	P.O. Box 690688	Houston	TX	77269
Commision of Public Lands - State Lands Office	310 Old Santa Fe Trail	Santa Fe	NM	87501
Conocophillips Company (CONOCOPHILLIPS CO)	P.O. Box 7500	Bartlesville	OK	74005
Empire New Mexico LLC	2200 S. Utica Place, Suite 150	Tulsa	OK	74114
J R Oil, LTD. Co.	P.O. Box 52647	Tulsa	OK	74152
OXY USA Limited Partnership (OXY USA WTP LMYD PTNRSHIP)	5 Greenway Plaza, Suite 110	Houston	TX	77046-0521
Penroc Oil Corporation (PENROC OIL CORP)	P.O. Box 2769	Hobbs	NM	88241
XTO Energy, Inc.	500 W. Illinois Ave, Suite 100	Midland	TX	79701
<p>Notes: The table above shows the Entities who were identified as parties of interest requiring notification on either the 1/2-mile well detail list (Attachment 2) or on the 2-mile Mineral Lease Map (Attachment 2). The names listed above in parenthesis, are the abbreviated entity names used on either the 1/2-mile well detail list (Attachment 2) or on the 2-mile Mineral Lease Map (Attachment 2).</p>				

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Penroc Oil Corporation
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HOBBS NM 88241-2769

XTO Energy, Inc.
500 W ILLINOIS AVE STE 100
MIDLAND TX 79701-4337

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Tulsa OK 74119

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OXY USA Limited Partnership
5 GREENWAY PLZ STE 110
HOUSTON TX 77046-0521

Empire New Mexico LLC
220 SOUTH UTICA PLACE SUITE 150
TULSA OK 74114-0000

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Commission of Public Lands
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MIDLAND TX 79706-2964

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New Mexico BLM
620 E GREENE ST
CARLSBAD NM 88220-6292

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Monte Guy Morton
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