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

FOR THE CONSIDERATION OF:
APPLICATION OF EMPIRE NEW MEXICO LLC TO REVOKE INJECTION AUTHORITY GRANTED TO GOODNIGHT MIDSTREAM PERMIAN, LLC,
LEA COUNTY, NEW MEXICO

CASES Nos. 24021-24024, 24026-24027

ORDER OF THE COMMISSION DENYING EMPIRE'S MOTION TO LIFT STAY & DENYING GOODNIGHT'S MOTION TO DISMISS WITHOUT PREJUDICE & DENYING GOODNIGHT'S JOINT MOTION TO REMAND CASES TO THE DIVISION

THIS MATTER came before the New Mexico Oil Conservation Commission (Commission) on Empire New Mexico, LLC's (Empire) Application to Revoke Injection Authority previously granted by the New Mexico Energy, Minerals and Natural Resources Department's Oil Conservation Division to Goodnight Midstream Permian, LLC's (Goodnight) for six wells. The wells are: (1) CASE 24021 ROCKET SWD No. 1; ORDER No. R-22027; (2) CASE 24022 PEDRO SWD #001; ADMINISTRATIVE ORDER SWD-2391; (3) CASE 24023 VERLANDER SWD #001; ORDER R-22030; (4) CASE 24024 NOLAN RYAN SWD #001; ORDER NO. R-20855; (5) CASE 24026 TED 28 SWD No. 1; ADMINISTRATIVE ORDER SWD-2075 and (6) CASE 24027 YAZ 28 SWD No. 1; ORDER NO-20865. Empire's Application to Revoke Injection Authority has led to three motions: (1) Empire's Motion to Lift Stay and Set for Status Conference, (2) Goodnight's Motion to Dismiss Without Prejudice and (3) Goodnight's Joint Motion to Remand Cases to the Division. Having considered the briefs of the parties, and having held a hearing on November 12, 2026, on these motions, the Commission finds and orders as follows:

1. Empire's Motion to Lift the Stay:

    a. On April 28, 2026, Empire filed its "Motion to Lift Stay and Set for Status Conference."

    b. Empire's Motion stated: "On or around July 2, 2024, the Commission executed a Joint Order on Goodnight Midstream Permian L.L.C.'s Motion to Limit Scope of Hearing on Cases within the Eunice Monument South Unit and the Oil Conservation Motion Concerning the Scope of the Evidentiary Hearing Set for September 23-27, 2024 ("Joint Order")." Empire's Motion, paragraph 2.

    c. Empire's Motion further stated: "The Joint Order recognized Division Case Nos. 24021-24024, and 24026-24027 ("Pending Cases") were stayed by the Commission pending resolution of Commission Case No. 24123, and Division Case Nos. 23775, 23614-23617, 24018-24020, and 24025 ("Prior Cases")." Empire's Motion, paragraph 3.

    d. Empire's Motion further stated: "A final hearing occurred in the Prior Cases, and the Commission entered its Order Denying Goodnight's Applications & Partially Granting/Partially Denying Empire's Applications on September 12, 2025, and its Amended Order Denying Goodnight's Applications & Partially Granting/Partially Denying Empire's Applications on December 17, 2025 ("December Order"), fully and finally resolving each of the Prior Cases." Empire's Motion, paragraph 4.

2. Goodnight's Motion to Dismiss Without Prejudice:

    a. On May 14, 2026, Goodnight filed "Motion to Dismiss without Prejudice."

b. Goodnight's Motion stated: "In 2023, Empire New Mexico, LLC ("Empire") submitted six applications urging the Commission to revoke the injection authority provided to Goodnight Midstream Permian, LLC ("Goodnight") to operate six saltwater-disposal ("SWD") wells outside the Eunice Monument South Unit ("EMSU") (Case Nos. 24021–24024 and 24026–24027)." Goodnight's Motion to Dismiss, paragraph 1.

c. Goodnight's Motion further stated: "These applications were all stayed on or about July 2, 2024, via Joint Order issued by the Commission, pending resolution of Empire's similarly situated applications concerning Goodnight's SWD wells inside the EMSU." Goodnight's Motion to Dismiss, paragraph 2.

d. Goodnight's Motion further stated: "As Empire correctly asserts in its Motion- the Commission has heard and fully disposed of all the issues between the parties as to the competing claims within the EMSU at the administrative level but fails to address the fact that the dispute remains unresolved and on appeal at the district court." Goodnight's Motion to Dismiss, paragraph 4.

3. Goodnight's Joint Motion to Remand Cases to the Division:

a. On August 10, 2026, Goodnight Midstream Permian, LLC (Goodnight), Rice Operating Company (Rice), and Permian Line Service, LLC (Permian) filed a Joint Motion to Remand Cases to the New Mexico Oil Conservation Division.

b. The Joint Motion stated: "The Non-EMSU Cases were initially referred to the Commission to be consolidated with related cases that were pending before the Commission. The Director reasoned that such consolidation was 'an efficient use of resources.' Order No. R-23048. Now, the Commission proceedings that justified consolidation have concluded. The Commission issued its Orders, those Orders are now on appeal, and no active matters remain before the Commission with which the six Non-EMSU Cases could be consolidated." Joint Motion, page 5.

c. The Joint Motion further stated: "Without active proceedings before the Commission amenable to consolidation, the Division is the appropriate forum, and the efficiency rationale that justified prior referral now affirmatively supports remand to the Division." Joint Motion, page 5.

4. Judicial Review Pending:

a. In January 2026, Empire filed an appeal of the Commission's December 17, 2025, Order in the First Judicial Court in Case No. D-101-CV-202600269.

b. In January 2026, Goodnight filed an appeal of the Commission's December 17, 2025, Order in the First Judicial Court in Case No. D-101-CV-202600177.

c. The appeals were consolidated into Case No. D-101-CV-202600177 and the appeals raise a variety of overlapping issues involving Empire and Goodnight's activities.

d. The judicial decision on these issues in Case No. D-101-CV-202600177 is still pending and may be dispositive to the Commission and parties regarding Empire and Goodnight's activities.

e. The Commission will be in a better position to proceed with these issues once the Commission receives clarity from the results of Empire's proposed pilot project or from the courts, including but not limited to, how the courts see the legal framework for these activities.

f. The Commission is not ready to proceed until the circumstances are better developed in these matters. Until there is clarity, the Commission will leave everything in place, but is prepared to revisit these matters in the future.

5. THEREFORE, the Commission hereby:

a. Denies Empire's Motion to Lift the Stay;

b. Denies Goodnight's Motion to Dismiss Without Prejudice;

c. Denies Goodnight's Joint Motion to Remand Cases to the Division.

IT IS SO ORDERED.

DONE at Santa Fe, New Mexico on the 22nd day of November, 2026.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DATED: 11/22/2026

Albert Chang

Albert C.S. Chang, Chairman