

Goetze, Phillip, EMNRD

From: Charles Moran <Charles_Moran@eogresources.com>
Sent: Tuesday, May 28, 2019 7:18 AM
To: McMillan, Michael, EMNRD; Ramona Hovey; Whitney McKee
Cc: Goetze, Phillip, EMNRD; Lowe, Leonard, EMNRD; Jones, William V, EMNRD; Murphy, Kathleen A, EMNRD
Subject: [EXT] RE: Notification of Protest for Application to Inject -McCrae SWD No. 1 EOG
Attachments: Solaris McRaeSWD#1 EOG.pdf

Mr. McMillan: EOG Resources, Inc. has been in discussion with Solaris concerning their McCrae SWD No. 1. Solaris has indicated they are willing to move the McCrae SWD #1 well to a location of 275' FNL & 1000' FEL in Sec. 33-19S-28E. If the SWD well permit is filed and or amended to this location; EOG will withdraw its protest of the SWD. If the footages change other than as set out in this email, EOG continues its protest.

Sincerely,

Chuck Moran

EOG Resources, Inc. – Midland Division
432-686-3684

From: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Sent: Monday, April 29, 2019 10:18 AM
To: Ramona Hovey <ramona@lonquist.com>
Cc: Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>; Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>; Charles Moran <Charles_Moran@eogresources.com>; Jones, William V, EMNRD <WilliamV.Jones@state.nm.us>; Murphy, Kathleen A, EMNRD <KathleenA.Murphy@state.nm.us>
Subject: Notification of Protest for Application to Inject -McCrae SWD No. 1 EOG

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

RE:: McCrae SWD Well No. 1 (API 30-015-Pending; Admin. Appl pMAM1908146183) Unit A; Sec 33, T19S, R28E, NMPM, Eddy County

Ms. Hovey:

OCD was notified by EOG Resources Inc. that it is protesting this application. This party is identified as an affected person for the location being considered for the application. You are being notified Solaris Water Midstream, LLC wishes for this application to be considered, they must either go to hearing or may be reviewed administratively if the protest is withdrawn as a result of a negotiated resolution with this party. The application will be retained pending resolution of the protest. Please continue to provide OCD with information regarding the standing of this application. Please call me with any questions on this matter.

Contact for EOG Resources Inc.
Chuck Moran
Landman
5509 Champions Drive

Midland, TX. 77046-0521

Phone: 432.686.3600

E-mail: charles_moran@eogresources.com

Michael McMillan

1220 South St. Francis

Santa Fe, New Mexico

505-476-3448

Michael.mcmillan@state.nm.us



June 12, 2019

New Mexico Oil Conservation Division
1220 S. St. Francis
Santa Fe, New Mexico 87504

Attn: Ms. Adrienne Sandoval, Director

Re: Amended Application of Solaris Water Midstream, LLC to permit for salt water disposal in the proposed McCrae SWD #1 well to be located in Section 33, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico

Dear Ms. Sandoval:

The original application stated that the surface location of the McCrae SWD #1 well would be 885' FNL and 925' FEL in Section 33, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico. The amended location will be 275' FNL and 1000' FEL, in Section 33, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico. There are no other changes to the original application.

Enclosed is an amended form C-102 showing the correct footage calls for the surface location along with the correct plats and maps showing the revised location. This amendment is being made to satisfy concerns by EOG Resources, Inc. EOG filed an objection to the application, via email to Michael McMillan dated April 27, 2019. This protest was filed after the expiration of the notice period as stated in the email. Nonetheless, Solaris wishes to try to satisfy their concerns. These concerns have been addressed and EOG is satisfied with the new location. Please see attached copy of an email string showing a response from Charles Moran, of EOG, in which he states that EOG agrees that if Solaris files an amended application moving the location, EOG will not further protest. Also attached is a letter of support for the SWD well in question from Apache Corporation, dated June 6, 2019, in which Apache points out the necessity for increased disposal capacity in this area. As stated in the letter, oil and gas activity is such that dwindling disposal capacity will jeopardize efficient development of the mineral resources.

This change in location will not affect any other part of the application. The new AOR does not include any wells that were not addressed originally. Further, no additional adjacent operators were identified after the move, so no additional notifications are required. All other attachments to the original C-108 have not changed. The surface owner remains the same, however, Solaris is copying them on this letter so that they are aware of the new location.

If you or your staff have any questions or require additional information, please do not hesitate to contact me.

Best regards,

Drew Dixon
Solaris Water Midstream, LLC
Vice President, Land, Regulatory and Permitting

Cc: Harley Winston and Carol Ballard, 1819-2 N. Canal, Carlsbad, NM 88220

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (575) 748-1283 Fax: (575) 748-0720

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3480 Fax: (505) 476-3488

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name McCRAE SWD	Well Number 1
OGRID No.	Operator Name SOLARIS WATER MIDSTREAM	Elevation 3359'

Surface Location

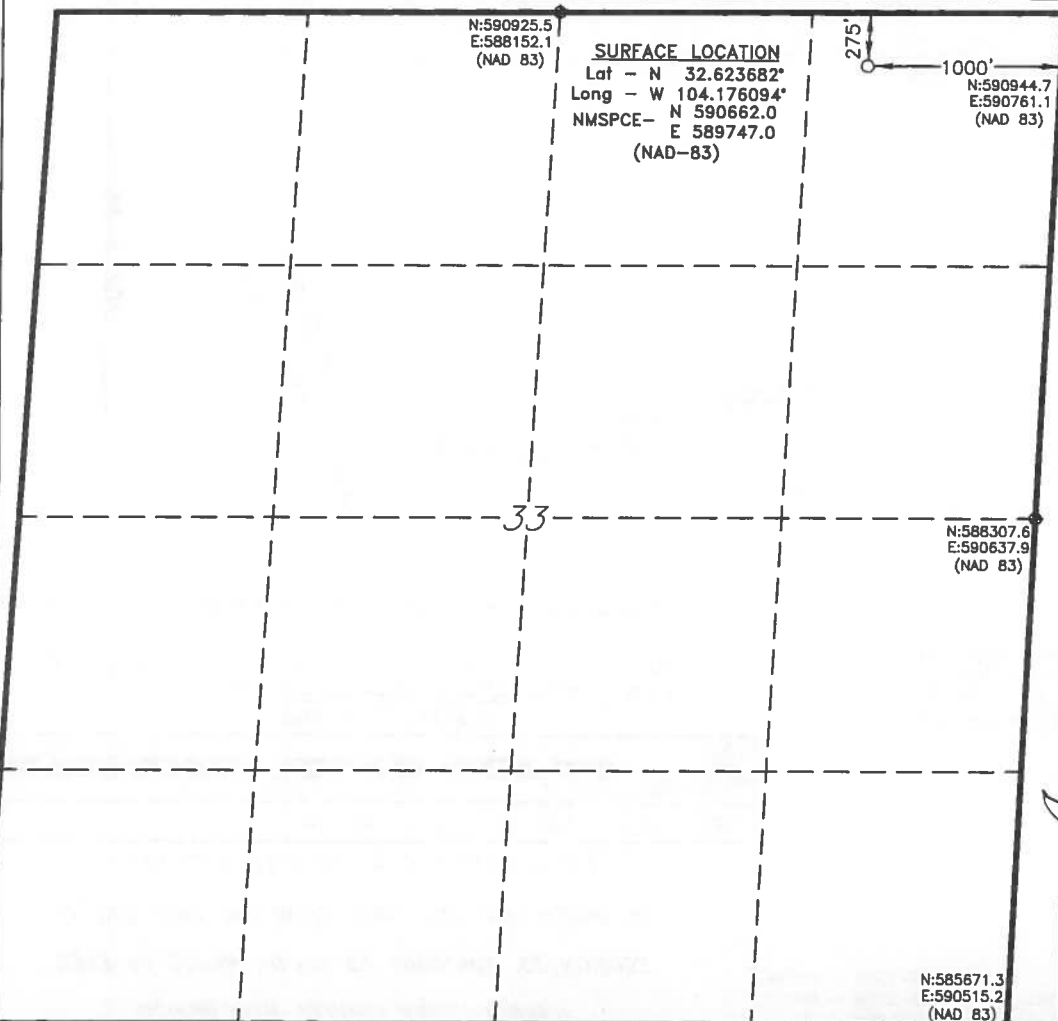
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	33	19 S	28 E		275	NORTH	1000	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
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**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**



OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

Email Address _____

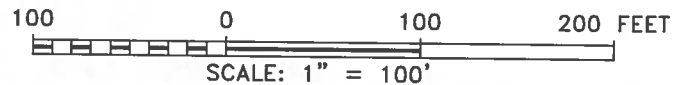
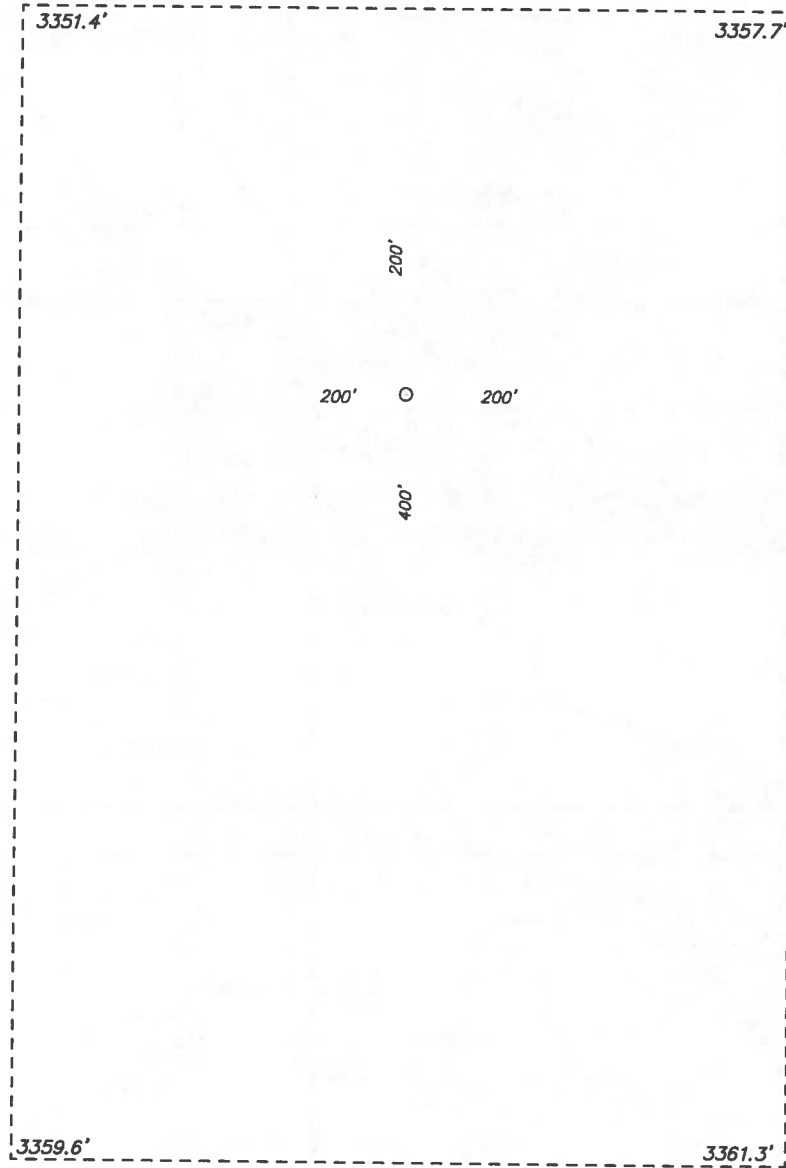
SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date Surveyed _____
Signature of Professional Surveyor _____

Certificate No. Gary L. Jones 7977

Scale: 1" = 1000'
WO Num.: 34594

**SECTION 33, TOWNSHIP 19 SOUTH, RANGE 28 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.**



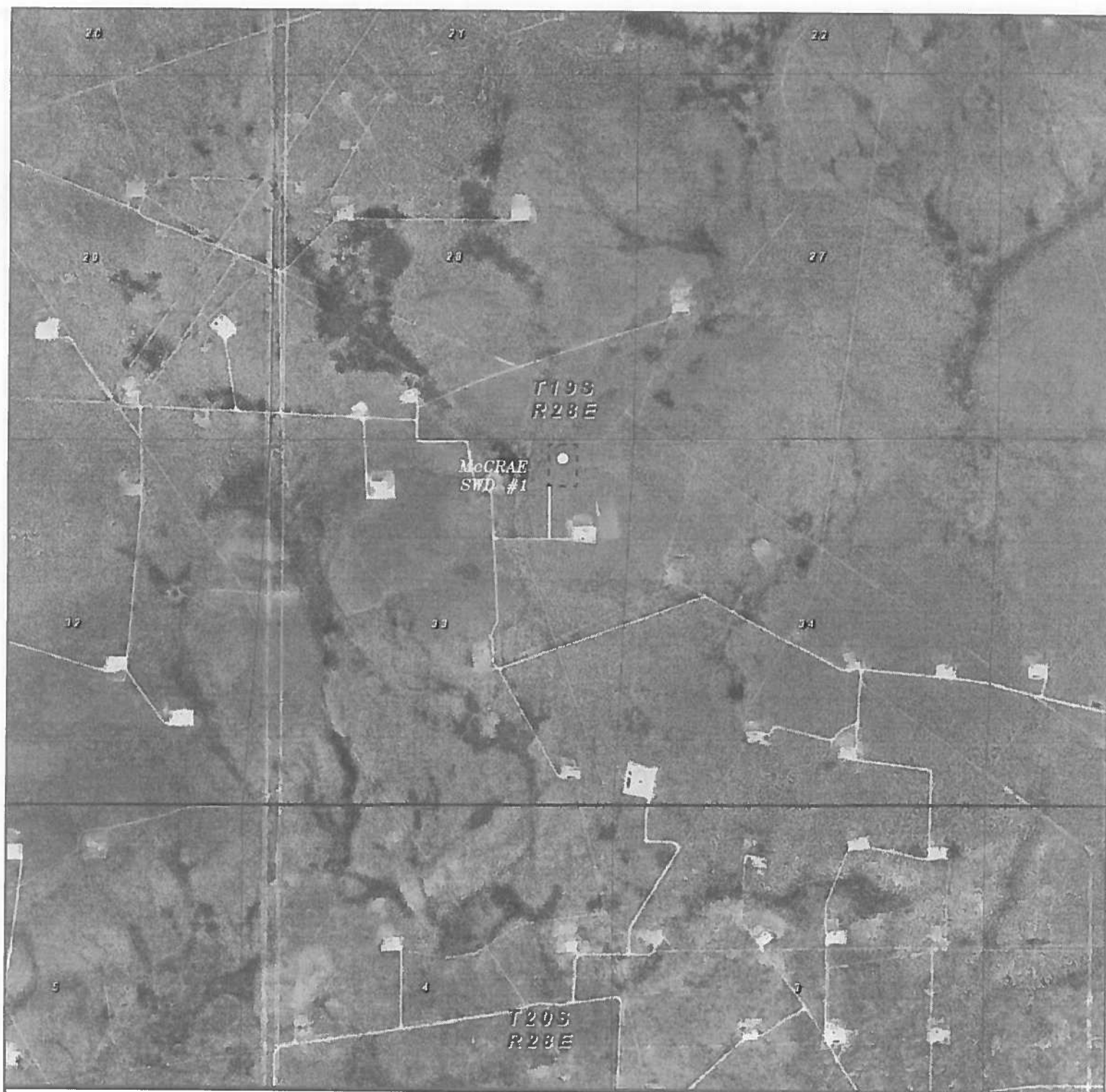
SOLARIS WATER MIDSTREAM

REF: McCRAE SWD #1 / WELL PAD •TOPO

*THE McCRAE SWD #1 LOCATED 275' FROM
THE NORTH LINE AND 1000' FROM THE EAST LINE OF
SECTION 33, TOWNSHIP 19 SOUTH, RANGE 28 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.*

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P.O. Box 1786 (575) 393-7316 - Office
1120 N. West County Rd. (575) 392-2206 - Fax
Hobbs, New Mexico 88241 basinsurveys.com



McCRAE SWD #1

Located 275' FNL & 1000' FEL
 Section 33, Township 19 South, Range 28 East,
 N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basinsurveys.com

0' 1000' 2000' 3000' 4000'
 SCALE: 1" = 2000'

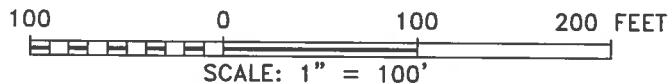
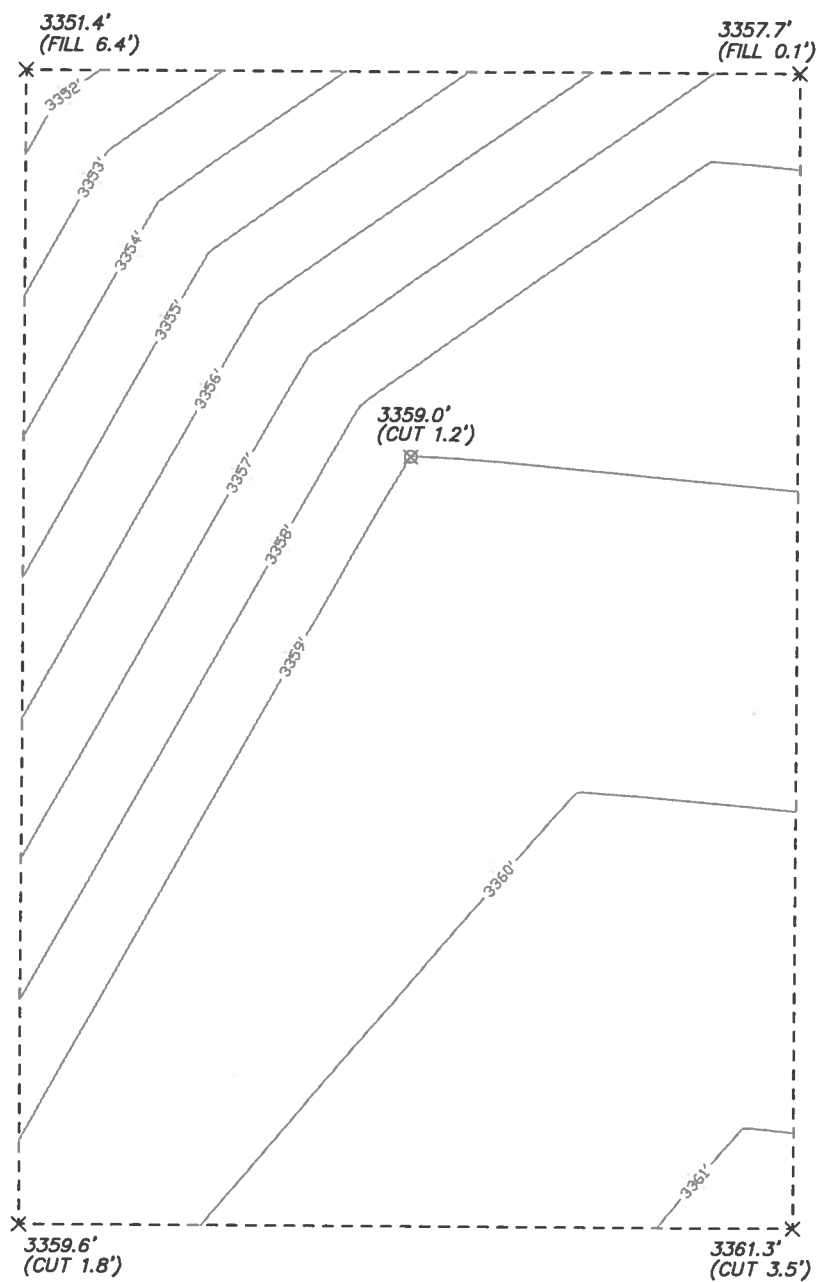
W.O. Number: JG - 34594

Survey Date: 5-24-2019

YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
 NATURAL COLOR - FEE LAND



**SECTION 33, TOWNSHIP 19 SOUTH, RANGE 28 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.**



SOLARIS WATER MIDSTREAM

REF: McCRAE SWD #1 / CUT & FILL

THE McCRAE SWD #1 LOCATED 275' FROM
THE NORTH LINE AND 1000' FROM THE EAST LINE OF
SECTION 33, TOWNSHIP 19 SOUTH, RANGE 28 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

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W.O. Number: 34594

Drawn By: J GOAD

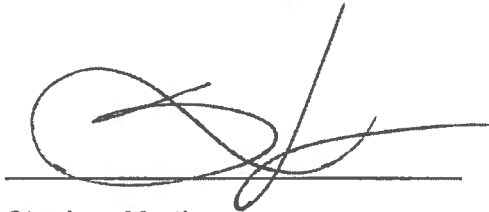
Date: 5-28-2019

Survey Date: 5-24-2019

Sheet 1 of 1 Sheets

GEOLOGIC AFFIRMATION

I have examined available geologic and engineering data and have found no evidence of open faults or other hydrologic connection between the disposal interval and underground sources of drinking water.

A handwritten signature in black ink, consisting of a large, stylized 'S' followed by a horizontal line and a diagonal stroke.

Stephen Martinez
Sr. Vice President of Drilling

Project: Solaris Water Midstream, LLC
 McCrae SWD #1

McMillan, Michael, EMNRD

From: Charles Moran <Charles_Moran@eogresources.com>
Sent: Saturday, April 27, 2019 4:00 PM
To: McMillan, Michael, EMNRD; McMillan, Michael, EMNRD; Dawson, Scott, EMNRD; Goetze, Phillip, EMNRD; Lowe, Leonard, EMNRD
Subject: [EXT] Protest - McCrae SWD No. 1 - Unit A 33-19S-28E

Messers:

EOG Resources, Inc. protests this Solaris Water Midstreams McCrae SWD No. 1 well Unit in unit A 33-19S-28E and requests this matter be set for hearing. We recognize that this protest is filed after the expiration of the notice period of the rules, however we believe the development of the oil and gas requires a move of the SWD and are filing at this time.. We request this application be set for hearing as we do not believe an order has been issued.

Chuck Moran
EOG Resources, Inc. – Midland Division
432-686-3684



Ed Martin <emartin@gavilansolutions.com>

FW: McCrae SWD #1 at 275' FNL & 1000' FEL Sec. 33-19S-28E

3 messages

Whitney McKee <whitney.mckee@solarismidstream.com>

Wed, May 22, 2019 at 2:09 PM

To: Ed Martin <emartin@gavilansolutions.com>

Ed,

One of our applications, McCrae SWD #1, was protested by EOG. We have reached an agreement with EOG to move the location and they will drop the protest. The location will be moving +/- 550' north. Would you be able to amend this location like you have the others or would this need to be a whole new application?

We agree to move to 275' FNL & 1000' FEL Sec. 33-19S-28E

Thanks,

Whitney

From: Charles Moran <Charles_Moran@eogresources.com>**Sent:** Wednesday, May 22, 2019 1:59 PM**To:** Whitney McKee <whitney.mckee@solarismidstream.com>**Cc:** Matthew Gray <Matthew_Gray@eogresources.com>**Subject:** RE: McCrae SWD #1 at 275' FNL & 1000' FEL Sec. 33-19S-28E

Whitney: It all depends upon how you do it to whether I need to withdraw the letter. If you officially withdraw the original application and file a new application at this new location I will not have to withdraw the protest on the old application. This might be faster.

Chuck Moran**EOG Resources, Inc. – Midland Division****432-686-3684**

From: Whitney McKee <whitney.mckee@solarismidstream.com>**Sent:** Wednesday, May 22, 2019 1:52 PM

Chuck,

Any word? I don't mean to pester you, but I would like to get this location moved and permit amended before the long weekend.

Thanks,

Whitney

From: Charles Moran <Charles_Moran@eogresources.com>
Sent: Friday, May 17, 2019 1:59 PM
To: Whitney McKee <whitney.mckee@solarismidstream.com>
Subject: RE: McCrae SWD #1 protest

Whitney: I did not see this email on Wednesday, my apologies. I will send it for approval/disapproval by the team.

Chuck Moran

EOG Resources, Inc. – Midland Division

432-686-3684

From: Whitney McKee <whitney.mckee@solarismidstream.com>
Sent: Friday, May 17, 2019 8:50 AM
To: Charles Moran <Charles_Moran@eogresources.com>
Subject: RE: McCrae SWD #1 protest

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Good morning,

Any word on if this move would be ok? If not do you guys have a location in mind?

To: Charles Moran <Charles_Moran@eogresources.com>

Subject: RE: McCrae SWD #1 protest

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Good morning,

I am following up on the McCrae location. Has the team had a chance to look at the proposed location?

Thanks,

Whitney

From: Whitney McKee

Sent: Monday, April 29, 2019 11:22 AM

To: Charles Moran <Charles_Moran@eogresources.com>

Subject: RE: McCrae SWD #1 protest

Chuck,

I don't have a plat showing the proposed location, but I have attached a kmz pin.

Thanks,

Whitney

From: Charles Moran <Charles_Moran@eogresources.com>

Sent: Monday, April 29, 2019 11:12 AM

To: Whitney McKee <whitney.mckee@solarismidstream.com>

Subject: RE: McCrae SWD #1 protest

Ms. McKee: I will gladly send it for review by the team. Do you have a plat showing this proposed location?

Chuck Moran

EOG Resources, Inc. – Midland Division

432-686-3684

6/11/2019

Gavilan Consulting Mail - FW: McCrae SWD #1 at 275' FNL & 1000' FEL Sec. 33-19S-28E

To: Ed Martin <emartin@gavilansolutions.com>, Ashley White <awhite@gavilansolutions.com>, Laura Riley <lriley@gavilansolutions.com>, Drew Dixon <drew.dixon@solarismidstream.com>

Thank you. I will get EOG to send over the withdraw of protest letter.

Thanks,

Whitney

[Quoted text hidden]



June 6, 2019

Oil Conservation Division
Geological and Engineering Bureau
1220 South St. Francis Drive
Santa Fe NM 87505

Re: C-108 Application for Authorization to Inject
Solaris Water Midstream, LLC
McCrae SWD #1
Section 33, Twp 19S, Rge 28E
Eddy County, New Mexico

To Whom It May Concern:

Apache Corporation would like to express its full support for the permitting of Solaris Water Midstream, LLC's proposed McCrae SWD #1 well in Eddy County.

Apache is actively developing conventional and unconventional resources by horizontal drilling in this immediate area. Produced water disposal capacity is extremely limited in this area of Eddy County and western Lea County, and in order to effectively and efficiently develop the resources in this area Apache, as well as others, need the additional disposal capacity this project will provide.

Properly permitted and operated disposal wells such as this proposed facility, into disposal zones which alleviate concerns of seismic activity and have no negative impacts to oil and gas production, are vital to operators developing the resources of New Mexico. Apache supports the Division's favorable review and permitting of this proposed disposal well.

Thank you for the opportunity to provide support to the applicant.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Henkhaus".

R. Mark Henkhaus, PE
Regulatory Manager
Permian Region

Cc: katy.welch@solarismidstream.com (via email)