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

# APPLICATION OF GOODNIGHT MIDSTREAM PERMIAN, LLC FOR APPROVAL OF A PRODUCED WATER DISPOSAL WELL, LEA COUNTY, NEW MEXICO

Case No. 22626

### **ORDER ON MOTION TO QUASH SUBPOENA**

This Order follows a Motion to Quash Subpoena ("Motion") filed Empire New Mexico, LLC ("Empire") on June 6, 2022. The Oil Conservation Division ("Division") Hearing Examiner ("Examiner"), having heard arguments presented on June 16, 2022 on the Motion enters the following findings and order.

1. On March 4, 2022, Goodnight Midstream Permian, LLC ("Goodnight") filed an application ("Application") for approval of a produced water disposal well located in Section 9, T21S, R36E, Lea County ("Proposed Well"). The Application proposed disposal into the San Andreas formation.

2. Empire entered an appearance into the case and objected to the case being heard by affidavit. Empire is the operator of the Eunice Monument South Unit which includes the San Andreas formation and within which the Proposed Well is located.

3. After a status conference, a hearing on the Application was scheduled for June 16, 2022.

4. A Subpoena was issued on May 16, 2022 that required Empire to provide by June 1, 2022: "All documents, communications, correspondence, emails, data, analyses, reports, and summaries, including but not limited to internal and external correspondence, memoranda, and assessments, that address, reflect on, or concern the existence or non-existence of hydrocarbons in the San Andres formation within the Eunice Monument South Unit." ("Subpoena").

5. Empire filed the Motion on June 7, 2022 to quash the subpoena because it is "unreasonable and unduly burdensome, and requires disclosure of protected information."

6. The hearing on June 16, 2022 included an oral argument on the Motion.

7. Empire objected to the short time period for production in the Subpoena, particularly given the scope of the production. The Division agrees and will allow additional time to comply with the Subpoena and will allow a rolling production.

8. Empire argued that some of the records requested by Goodnight are available on the Division website. The Division agrees that it is not necessary for Empire to produce records that are available on the Division's website.

9. The Division finds that the requests in the Subpoena are relevant to the subject matter of this case. The further arguments of Empire do not justify the quashing of the Subpoena.

#### **ORDER**

The Motion is denied subject to the modifications set forth in this Order. The date of compliance with the Subpoena is 30 days from the date of this Order. Empire is not required to produce any documents that are also available on the Division's website. Empire may produce documents on a rolling schedule with the initial documents focused on the area of review associated with the Proposed Well.

## STATE OF NEW MEXICO OIL CONSERVATION DIVISION

<u>William R. Brancard</u> WILLIAM R. BRANCARD HEARING EXAMINER Date: July 26, 2022