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

APPLICATION OF GOODNIGHT MIDSTREAM PERMIAN, LLC TO AMEND ORDER NO. R-22506 (SWD-2392) FOR A ONE-YEAR EXTENSION TO COMMENCE INJECTION OPERATIONS, LEA COUNTY, NEW MEXICO.

CASE NO. 24491

ORDER DENYING MOTION TO REFER CASE TO THE OIL CONSERVATION COMMISSION

This matter comes before the Oil Conservation Division (Division) on Goodnight Midstream Permian, LLC's (Goodnight) Motion to terminate the administrative proceedings at the Division level and Refer Case No. 24491 to the New Mexico Oil Conservation Commission (Commission). The Division's Hearing Examiner finds and orders that:

1. The Application to Amend Order No. R-22506 (SWD-2392) seeks to extend the time to commence injection operations through Goodnight's proposed Rocket SWD #1.

2. Authority to inject was approved on March 3, 2023 under Division Order No. R-22506.

3. Under the provisions of the UIC Class II Permit SWD-2392, the authorization to inject is valid for one year after the date of issuance, or until March 2, 2024. Goodnight Midstream submitted a timely request for a one-year extension in accordance with the terms of SWD-2392.

4. The administrative extension request was protested by Empire New Mexico LLC. In response, Goodnight filed an application for a hearing to consider its extension request. As such, the adjudicatory proceeding presents legal issues that fall squarely within the subject matter authority of the Division under 19.15.4 NMAC.

5. Goodnight seeks referral of the instant case to the Commission because it "relates" to cases before the Commission involving produced water disposal in the San Andres formation within the Eunice Monument South Unit.

6. Goodnight's Motion does not provide a factual basis beyond the assertion of a relationship to justify referral to the Commission.

IT IS THEREFORE ORDERED THAT:

This case shall remain on the Oil Conservation Division's June 13, 2024 docket and be heard in the regular course of business.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

GREGORY CHAKALIAN HEARING EXAMINER