

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

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APPLICATION OF DELAWARE ENERGY LLC TO REVOKE THE INJECTION AUTHORITY GRANTED UNDER SWD-1680 FOR THE ALPHA SWD NO. 1 WELL OPERATED BY ALPHA SWD OPERATING LLC, EDDY COUNTY, NEW MEXICO.

Case No. 15855

ALPHA SWD OPERATING, LLC'S RESPONSE TO SUBPOENA

Alpha SWD Operating, LLC ("Alpha") hereby provides its objections and responses to the document production subpoena issued by the Oil Conservation Division ("the Division") to Delaware Energy, LLC ("Delaware") on October 23, 2017.

OBJECTIONS AND RESPONSES

REQUEST FOR PRODUCTION NO. 1: All contracts, letter agreements, emails, communications or other written instruments which involve the drilling of the Alpha SWD Well No. 1 approved in Administrative Order SWD-1680.

RESPONSE: Alpha objects to this request to the extent that it seeks the production of documents that are not relevant to the substantive claims asserted by Delaware in its application requesting the revocation of the injection authority granted to Alpha under Administrative Order SWD-1680 ("application"), ie., that (i) Alpha and the Division violated 19.15.26.7.A and 19.15.26.8.B(2) NMAC by failing to notify Delaware of the C-108 that Alpha filed on June 12, 2017, and (ii) the Division violated 19.15.26.8.C(2) NMAC by issuing Administrative Order SWD-1680 sixteen days after Alpha submitted its administrative application. Subject to and

without waiving its objection, Alpha is contemporaneously producing responsive documents (Bates nos. ALPHA 0001 – ALPHA 0194).

REQUEST FOR PRODUCTION NO. 2: All contracts, letter agreements, emails, communications or other written instruments which involve Alpha SWD Operating LLC's right to access the surface at the location of its Alpha SWD No. 1 well.

RESPONSE: Alpha objects to this request to the extent that it seeks the production of documents that are not relevant to the substantive claims asserted by Delaware in its application, ie., that (i) Alpha and the Division violated 19.15.26.7.A and 19.15.26.8.B(2) NMAC by failing to notify Delaware of the C-108 that Alpha filed on June 12, 2017, and (ii) the Division violated 19.15.26.8.C(2) NMAC by issuing Administrative Order SWD-1680 sixteen days after Alpha submitted its administrative application. Subject to and without waiving its objection, Alpha is contemporaneously producing responsive documents (Bates nos. ALPHA 0195 – ALPHA 0208 and ALPHA 0231 - ALPHA 0249).

REQUEST FOR PRODUCTION NO. 3: All contracts, letter agreements, emails, communications or other written instruments which involve the closing on Alpha SWD Operating LLC's purchase of acreage that includes the Alpha SWD No. 1 well location.

RESPONSE: Alpha objects to this request to the extent that it seeks the production of documents that are not relevant to the substantive claims asserted by Delaware in its application, ie., that (i) Alpha and/or the Division violated 19.15.26.7.A and 19.15.26.8.B(2) NMAC by failing to notify Delaware of the C-108 that Alpha filed on June 12, 2017, and (ii) the Division violated 19.15.26.8.C(2) NMAC by issuing Administrative Order SWD-1680 sixteen days after Alpha had submitted its administrative application. Subject to and without waiving its objection, Alpha is

producing responsive documents (Bates nos. ALPHA 0195 – ALPHA 0208 and ALPHA 0231 - ALPHA 0249).

REQUEST FOR PRODUCTION NO. 4: All contracts, letter agreements, emails, communications or other written instruments which involve the disposal of produced water through the Alpha SWD No. 1 well.


RESPONSE: Alpha objects to this request to the extent that it seeks the production of documents that are not relevant to the claims asserted by Delaware in its application, ie., that (i) Alpha and/or the Division violated 19.15.26.7.A and 19.15.26.8.B(2) NMAC by failing to notify Delaware of the C-108 that Alpha filed on June 12, 2017, and (ii) the Division violated 19.15.26.8.C(2) NMAC by issuing Administrative Order SWD-1680 sixteen days after Alpha submitted its administrative application. Subject to and without waiving its objection, Alpha is contemporaneously producing responsive documents (Bates nos. ALPHA 0209 – ALPHA 0218).

REQUEST FOR PRODUCTION NO. 5: All documents, insurance coverage certificates, or other written instruments, reflecting that Alpha SWD Operating LLC has obtained general liability insurance and/or well control insurance that covers the proposed Alpha SWD No. 1 well.

RESPONSE: Alpha objects to this request to the extent that it seeks the production of documents that are not relevant to the claims asserted by Delaware in its application, ie., that (i) Alpha and/or the Division violated 19.15.26.7.A and 19.15.26.8.B(2) NMAC by failing to notify Delaware of the C-108 that Alpha filed on June 12, 2017, and (ii) the Division violated 19.15.26.8.C(2) NMAC by issuing Administrative Order SWD-1680 sixteen days after Alpha submitted its administrative application. Subject to and without waiving its objection, Alpha is contemporaneously producing responsive documents (Bates nos. ALPHA 0219 – ALPHA 0230).

Respectfully submitted,

HINKLE SHANOR LLP



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Counsel for Alpha SWD Operating LLC

CERTIFICATE OF SERVICE

I hereby certify that on this 30th day of October, 2017 I served a true and correct copy of the foregoing *Alpha SWD Operating LLC's Response to Subpoena* via email to:

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