

BW – 4

**PERMIT
APPLICATIONS,
RENEWALS,
& MODS**

2018

Chavez, Carl J, EMNRD

From: Wayne Price <wayneprice@q.com>
Sent: Tuesday, July 9, 2019 11:42 AM
To: Griswold, Jim, EMNRD; Chavez, Carl J, EMNRD
Cc: Wayne Price; jonrgandy Gandy
Subject: [EXT] Re: Wasserhund BW-04 Comments to Draft Permit
Attachments: Wass Draft Letter to OCD July 7.pdf; ATT00001.txt

Please use this version.

July 8, 2019

Mr. Jim Griswold-Environmental Bureau Chief
New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Reference: Wasserhund Inc. Brine Well BW-04

Subject: OCD Issued Draft Permit

Dear Mr. Griswold,

Please find herein comments relating to the recently issued Draft Permit BW-04 for the Wasserhund Inc. (Wasserhund) Edison State Brine Well.

As you are aware Wasserhund's consultant (Price LLC) made a request to offer changes to the current permit before the draft permit was issued. These changes were also requested in previous annual reports. OCD never followed up on these request.

Wasserhund then requested a preliminary copy of the draft permit before OCD issued in order to discuss these changes. Subsequently, OCD sent an E-mail (Keith Herman-OCD Attorney January 25, 2019) rejecting Wasserhund's ability to provide meaningful input indicating it may be perceived as trying to influence OCD's permit conditions. (E-Mail Attached).

Wasserhund would like to point out that Mr. Herman's comment did allow input during the application process, but OCD did not follow-up on these request that were listed in the annual reports and discussions with OCD staff.

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*And; Pursuant to **20.6.2.3109** (SECRETARY APPROVAL, DISAPPROVAL, MODIFICATION OR TERMINATION OF DISCHARGE PERMITS, AND REQUIREMENT FOR ABATEMENT PLANS:)*

3109. Part A. Reads in part; *"The department shall evaluate the application for a discharge permit, modification or renewal based on information contained in the department's administrative record".*

Wasserhund had submitted changes to the permit and was told by OCD staff that these would be considered during the renewal process.

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Wasserhund hereby submits comments for OCD to consider for the Wasserhund BW-04 permit and hopefully OCD will incorporate some of these changes without requiring an expensive hearing process.

If OCD fails to respond in a timely fashion, Wasserhund does not waive its ability to request a hearing.

Sincerely,

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Wayne Price-Price LLC
Consultant for Wasserhund Inc.

Attachments:

Recommended changes to Draft Permit;
Copy of E-mail;

Recommended Changes to Draft Permit

2A.1. Groundwater Monitor Well: This is a new requirement from past permit conditions:

Wasserhund Response: Wasserhund respectfully request this requirement be removed for the following reasons:

Pursuant to **20.6.2.3104 DISCHARGE PERMIT REQUIRED:** In Part reads *“Unless otherwise provided by this Part, no person shall cause or allow effluent or leachate to discharge so that it may move directly or indirectly into ground water unless he is discharging pursuant to a discharge permit issued by the secretary”*

Wasserhund’s brine well does not discharge effluent or leachate and therefore monitoring for such discharges should not be required. OCD by it’s own motion, allowed discharge permits to expire when there was no active on-going discharge, and that policy is still in place.

Wasserhund does recognize that Part **20.6.2.5000 (UNDERGROUND INJECTION CONTROL:)** does apply to the Wasserhund Class III brine well and generally requires that a 3104 discharge permit be obtained.

However, as stated above, Wasserhund’s operations do not discharge directly or indirectly into groundwater and the need for a monitoring well under Part 3104 should be waived.

Pursuant to **20.6.2.3107 (MONITORING, REPORTING, AND OTHER REQUIREMENTS:)**

“3107.A. Each discharge plan shall provide for the following as the secretary may require:

- (1) The installation, use, and maintenance of effluent monitoring devices;*
- (2) The installation, use, and maintenance of monitoring devices for the ground water most likely to be affected by the discharge;*
- (3) monitoring in the vadose zone; “*

In each listed item above, these requirements hinge upon actual discharges. As previously stated, the brine well operations are designed not to actively discharge water contaminants.

Notwithstanding the fact that certain unintentional releases may require certain monitoring per NMOCD release and abatement rules not related to injection operations.

Pursuant to **20.6.2.5205** (*CONSTRUCTION REQUIREMENTS FOR CLASS I NON-HAZARDOUS WASTE INJECTION WELLS AND CLASS III WELLS:*)

Wasserhund's brine well currently meets the construction standards of **5205.1.b** *"Class III wells will not cause or allow movement of fluids out of the injection zone into ground water having 10,000 mg/l or less TDS except for fluid movement approved pursuant to Section 20.6.2.5103 NMAC".*

Under **5205.C.** (*Additional construction requirements for Class III wells*) reads in part;

"(1) *Where injection is into a formation containing ground water having 10,000 mg/l or less TDS, monitoring wells shall be completed into the injection zone and into the first formation above the injection zone containing ground water having 10,000 mg/l or less TDS which could be affected by the extraction operation."*

Wasserhund would like to point out that the injection is into a confined bedded salt section void of any groundwater and while the casing may go thru a protectable zone, the injection does not penetrate (i.e. discharge into any protectable zone). The construction requirements and resulting testing requirement ensures groundwater protection and Wasserhund has had no known releases or casing failures that would be cause of concern.

Once again, notwithstanding a future release may trigger a monitor well. Installing a monitor well at this time would be detrimental to Wasserhund's operations as this site is located on State Trust Lands which will require additional annual fees with the presumption that having a monitor well may be an unwarranted admission of groundwater contamination which could result in premature fee increases, additional bonding and possible fines from the land agency.

"(2) *Where injection is into a formation which does not contain ground water having 10,000 mg/l or less TDS, no monitoring wells are necessary in the injection zone. However, monitoring wells may be necessary in adjoining zones with ground water having 10,000 mg/l or less TDS that could be affected by the extraction operation"*

Wasserhund understands that OCD **"may"** want monitoring wells, but without sufficient knowledge or past information that would possibly lead to a probable cause, this requirement would be in our opinion arbitrary and capricious at this time.

Wasserhund would like to point out that except for the major collapse issues, we have no knowledge that a current operating brine well has caused ground water contamination from its injection operations.

Installing monitor wells may trigger an unwarranted investigation due to off-site contamination from oil and gas operations not related to the brine well.

This could cause Wasserhund to have to install additional wells to defend itself. As previously stated, this would be very expensive with the presumption of guilt until proven otherwise.

Per 20.6.2.5104.B (WAIVER OF REQUIREMENT BY SECRETARY FOR CLASS I WELLS AND CLASS III WELLS:)

Specifically allow waivers for Class III wells. **Wasserhund hereby requests a waiver from the installation of a new monitor well, unless OCD can demonstrate a site-specific need at this time.**

2.B.1 SOLUTION CAVERN MONITORING PROGRAM:

Draft Permit Reads in Part; "The Permittee shall submit the results of all subsidence surveys with summary of results and any recommendations to OCD within 15 days of survey completion."

Wasserhund currently does not have subsidence monitors. **Wassehund hereby commits to installing the required monitors pursuant OCD recommendations. We respectfully request we be allowed to install and have the first reading by June 01, 2021.**

In addition, Wasserhund is requesting that the results be submitted in the annual report as long as the criteria of .10 feet is not exceeded, otherwise agree with condition.

2.B.2 Solution Cavern Characterization Program:

Draft Permit Reads; "The Permittee shall submit a Solution Cavern Characterization Plan to characterize the size and shape of the solution cavern using geophysical methods within 180 days of the effective date of this permit. The Permittee shall characterize the size and shape of the solution cavern using a geophysical method approved by OCD at least once before the expiration date of the permit. The Permittee shall demonstrate that at least 90% of the calculated volume of salt removed based upon injection and production volumes has been accounted for by the approved geophysical method(s) for such testing to be considered truly representative.

Wasserhund Response: Price LLC, Wasserhund's Consultant, currently knows no "cost effective" method using any known geophysical method or tool to accurately characterize the size and shape of the bedded salt cavern. Since OCD has not provided any guidance in this area, or until OCD comes up with such a method or

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While a mathematical configuration can be estimated, there is no way to accurately confirm the size and shape using a geophysical method or tool.

OCD has used various methods on the infamous Carlsbad Brine well to determine a two-dimensional surface plot, but these methods are questionable for deep brine wells, does not give good three-dimensional aspects and is certainly not cost effective.

Again, Wasserhund request a waiver and commits to working with OCD to find an acceptable method.

- a. *“The Permittee shall provide an estimate of the size and shape of the solution cavern at least annually in the Annual Report (Condition 2.J), based on fluid injection and brine production data.”*

Wasserhund Response: As pointed out above, this estimate cannot be backed by any geophysical method. Wasserhund can use a mathematical configuration to estimate the cavern volume, but cannot provide any three-dimensional pictorial with any accuracy.

- b. *“The Permittee shall compare the ratio of the volume of injected fluids to the volume of produced brine monthly. If the average ratio of injected fluid to produced brine varies is less than 90% or greater than 110%, the Permittee shall report this to OCD and cease injection and production operations of its Class III well within 24 hours. The Permittee shall begin an investigation to determine the cause of this abnormal ratio within 72 hours. The Permittee shall submit to OCD a report of its investigation within 15 days of cessation of injection and production operations of its Class III well for further instructions.”*

Wasserhund Response: Wasserhund’s Consultant (Price LLC) has requested a variance on this requirement in the past annual reports. Due to intermittent production times, flow rate variation, pressure build ups, brine density changes, monthly injection and production numbers can vary outside of the 90%-110% range, but over time always comes back to normal and generally falls within the 105% range.

There are many reasons for this as we have discussed, and thus the requirement to suspend operations is not based on any real parameter or trend that may be an immediate threat to the well, groundwater or the environment. The current requirement puts operators in a continuous violation and interruption of operations.

Of course notwithstanding, if you have a well that takes water without producing, or starts to pressure up, then you know you may have lost circulation or communicated to a pressure zone, then immediate action should be taken and notification to the agency.

The point to be made here is that this parameter is a trailing indicator not a leading indicator. Of course a continued pattern for a few months would be beneficial.

Therefore, Wasserhund recommends the following language:

Wasserhund will monitor the brine well operation and if the well has a sudden loss or gain of pressure, lost circulation, unexpected water flow, specific gravity changes significantly, or a continued pattern of difference between the fresh water injected and production of brine that falls out side of the acceptable range of 90-110%, then Wasserhund will shut down operations and notify the OCD within 72 hours.

Within 30 days, Wasserhund will submit a corrective action plan for OCD approval.

2.D. CLOSURE: Reads; “The Permittee shall submit an updated closure plan, with third-party cost estimate for its well pursuant to 20.6.2.5209 NMAC and as specified in Permit Conditions 2.I and 5.B to address: well plug and abandonment, land surface restoration; environmental groundwater monitoring (if applicable); pipeline abandonment; and five years of surface subsidence monitoring.”

Wasserhund Response: A closure plan has been submitted to address the items listed above, however during discussions with OCD staff, the surface subsidence monitoring was allowed for three years. **Wasserhund hereby request this condition be changed to reflect the three years rather than five.**

In addition, Wasserhund would like for the word “Pipeline” be removed as it has certain connotations in the oilfield and the fact there are no dedicated pipelines at the BW-04 facility.

We recommend using the language “piping removal or underground line abandonment.”

2.G. RELEASE REPORTING: “As Listed in Draft Permit”

Wasserhund Response: The entire language appears to come from the WQCC part 20.6.2.1203 NMAC (**NOTIFICATION OF DISCHARGE-REMOVAL**)

The WQCC reporting conditions and the OCD reporting conditions are not exactly the same. It appears OCD is mixing regulations and may cause confusion with the operator and the local district offices.

Therefore Wasserhund recommends that the entire language under 2.G. Release reporting be removed and replaced with the following:

All releases shall be reported and corrective actions taken pursuant to OCD rule 19.15.29 (Releases).

2.I. BONDING OR FINANCIAL ASSURANCE: Draft permit reads in part; *“Pursuant to 20.6.2.5210B(17) NMAC, the Permittee shall maintain at a minimum, a single well plugging bond in the amount that it shall determine, in accordance with Permit Conditions 2.D and 5.B, to cover potential costs associated with plugging and abandonment of the Class III well, surface restoration, environmental ground water monitoring (if applicable), pipeline abandonment, along with five years of surface subsidence monitoring thereafter. OCD may require additional financial assurance to ensure adequate funding is available to plug and abandon the well and/or for any required environmental related corrective actions.”*

Wasserhund Response: As requested above, recommend removing the word “Pipeline” and replace with the following language.

“piping removal or underground line abandonment.”

2.J. ANNUAL REPORT: Reads in part “The Permittee shall submit its annual report pursuant to 20.6.2.3107 NMAC to OCD’s Environmental Bureau by June 1st of the following year. The annual report shall include the following:

- Semi-annual monitor well analytical data results;

Wasserhund Response: **Wasserhund has requested a waiver on the new requirement for a monitor well. Please remove.**

- Pipeline hydrostatic test results;
- Pipeline visual leak inspection monitoring results at joints;

Wasserhund Response: As mentioned above, Wasserhund does not have any pipelines. Please remove.

- The Permittee shall file its Annual Report in an electronic format with a hard copy submittal to OCD's Environmental Bureau.

Wasserhund Response: Wasserhund requests waiver of a hardcopy unless OCD specifically has need for it. Wasserhund will supply upon individual request.

3.A. OPERATING REQUIREMENTS: Reads in part; *"The Permittee shall comply with the operating requirements specified in 20.6.2.5206A NMAC and 20.6.2.5206A NMAC to ensure that:"*

3. *"Pipeline: Initial hydrostatic testing of pipeline is required for any pressure loss, leakage, etc. at joints. The hydrostatic test report with "as-built" pipeline transect and associated construction information shall be submitted to OCD for approval before pipeline activation. Mandatory Hydrostatic Testing of the pipeline is required after leakage and/or before the expiration date of the Permit. The pipeline shall be constructed with an Emergency Shut-Down Device with block off locations for pipeline isolation, access, cleaning, testing, etc. Daily pipeline inspection and monitoring is required at a minimum for the first week and each time the pipeline is brought back into service after shut-down, service work, etc. The pipeline shall be inspected within 8-hours of pipeline pressure loss, upset, etc. Weekly inspection and monitoring at a minimum is required thereafter. Inspection record keeping is required and shall include the date and time of each inspection, inspectors name and contact information, weather conditions with inspection summary, any conclusion on pipeline condition with any recommendations. Spills or release locations shall include GPS Coordinates and be handled in accordance with Permit Condition 2.G."*

Wasserhund Response: It appears that some of the new brine wells recently permitted does have a long brine water lines and OCD has boiler plated this in all permits.

Wasserhund's BW-04 brine system does not have a pipeline by definition, but only has aboveground lines other than fresh water. The lines from the brine tanks to load lines are underlain with a secondary containment. There is one short aboveground brine line from the well over to the aboveground tanks.

Wasserhund requests that item 3, be removed from the draft permit.

3.D. MECHANICAL INTEGRITY FOR CLASS III WELLS: Reads in Part;

"The MIT shall consist of a 30-minute test at a minimum pressure of 500 psig measured at the surface when tubing is removed and a plug is installed within 20 ft. of the casing shoe depth. "

Wasserhund Response: Pursuant to **19.15.26.11** (TESTING, MONITORING, STEP-RATE TESTS, NOTICE TO THE DIVISION, REQUESTS FOR PRESSURE INCREASES) The minimum test pressure is 300 psig.

Wasserhund request that the permit reflect this change from 500 psig to 300 psig.

3.D.2.b Reads in part; *"Passes casing MIT if final test pressure is within +/- 10% of starting pressure, if approved by OCD (Note: Passes cavern test on a case-by-case basis determined by OCD);"*

Wasserhund understands the sensitivity issue on cavern tests due to formation and water compressibility factors, but OCD not allowing some tolerance is not practical.

Wasserhund request that at a minimum tolerance of +/- 1% be allowed, and more on a case by case basis approved by OCD.

3.D.2.d Reads in part; *"All chart recorder information, charts containing appropriate information, calibration sheets, etc. shall be provided to OCD within 5 working days of completing an MIT."*

Wasserhund Response: In order to be consistent with OCD rule **19.15.7.14.G** (SUNDRY NOTICES AND REPORTS ON WELLS (Form C-103)

Wasserhund Request that 30 working days be allowed to submit the information along with the required C-103.

3.E. WELL WORKOVER OPERATIONS: In part reads; *"Properly completed Forms C-103 and/or C-105 must be filed with OCD upon completion of workover activities and copies included in that year's Annual Report"*

Wasserhund Response: **Wasserhund hereby request that the OCD form C-105 not be required for pressure test, tubing repair, and miscellaneous remedial**

work, unless the casing is altered, new casing installed, or different tubing is installed and the setting depth is changed over a 100 feet.

3.F. FLUIDS INJECTION AND BRINE PRODUCTION VOLUMES AND PRESSURES:

Reads in part; *"The Permittee shall submit monthly reports of its injection and production volumes on or before the 10th day of the following month."*

Wasserhund's response: **Wasserhund hereby request that the submittal of monthly reports be omitted and the reports will be submitted in the annual report.**

"The Permittee shall suspend injection if the monthly injection volume is less than 110% or greater than 120% of associated brine production. If such an event occurs, the Permittee shall notify OCD within 24 hours."

Wasserhund's response: **Wasserhund recommends this part be omitted as it conflicts with draft permit condition 2.B.2.b.**

3.G. AREA OF REVIEW (AOR): Reads; *"The Permittee shall report within 72 hours of discovery any new wells, conduits, or any other device that penetrates or may penetrate the injection zone within a 1-mile radius from its Class III well. OCD shall be notified within 24 hours of having knowledge of any wells lacking cement within the cavern interval within a 1/2-mile radius from the Class III well"*

Wasserhund Response: Wasserhund has no ability to control wells that are permitted in the area nor be able to control the casing programs. This is solely OCD's responsibility.

Wasserhund's consultant (Price LLC) has had numerous conversations with OCD concerning this issue. OCD was suppose to implement a program that ID's brine wells so the OCD District offices would be able to control permitting of proximity wells.

Wasserhund also does an annual review of the wells located within 1/2 mile radius. OCD's bureau chief agreed a 1/4 mile AOR is sufficient.

Therefore, Wasserhund request that this section be changed or omitted from the permit conditions.

5. SCHEDULE OF COMPLIANCE: Reads in part;

5.B. BONDING OR FINANCIAL ASSURANCE: “The Permittee shall submit an estimate of the minimum cost to properly close, plug and abandon its UIC Class III well, conduct ground water restoration if applicable, and any post-operational monitoring as may be needed (see 20.6.2.5210B(17) NMAC) within 90 days of permit issuance, and/or the Closure Plan addresses this requirement and is approved by OCD. The Permittee’s cost estimate shall be based on third person estimates. After review, OCD will require the Permittee to submit a single well plugging bond based on the third person cost estimate.”

Wasserhund Response: Wasserhund was required to submit this with the application. **Wasserhund requests this be removed from the permit conditions.**

5.D. SOLUTION CAVERN CHARACTERIZATION PLAN: The Permittee shall submit the Solution Cavern Characterization Plan required in accordance with Permit Condition 2.B.2 within 180 days of permit issuance.

Wasserhund Response: As pointed out above, there is no geophysical method or plan that is currently cost effective. **Wasserhund request this requirement be waived until OCD has a method that is viable and can be applied to most brine wells.**

Chavez, Carl J, EMNRD

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In the past, Wasserhund used the worst-case upright cone volume method to determine a diameter and depth by using the measured volume of salt removed. However, since OCD has now required "Normal Flow" where the bottom or middle of the cavern will be expanded, rather than the top, the up-right cone method may not work.

While a mathematical configuration can be estimated, there is no way to accurately confirm the size and shape using a geophysical method or tool.

OCD has used various methods on the infamous Carlsbad Brine well to determine a two-dimensional surface plot, but these methods are questionable for deep brine wells, does not give good three-dimensional aspects and is certainly not cost effective.

Again, Wasserhund request a waiver and commits to working with OCD to find an acceptable method.

- a. *"The Permittee shall provide an estimate of the size and shape of the solution cavern at least annually in the Annual Report (Condition 2.J), based on fluid injection and brine production data."*

Wasserhund Response: As pointed out above, this estimate cannot be backed by any geophysical method. Wasserhund can use a mathematical configuration to estimate the cavern volume, but cannot provide any three-dimensional pictorial with any accuracy.

- b. *"The Permittee shall compare the ratio of the volume of injected fluids to the volume of produced brine monthly. If the average ratio of injected fluid to produced brine varies is less than 90% or greater than 110%, the Permittee shall report this to OCD and cease injection and production operations of its Class III well within 24 hours. The Permittee shall begin an investigation to determine the cause of this abnormal ratio within 72 hours. The Permittee shall submit to OCD a report of its investigation within 15 days of cessation of injection and production operations of its Class III well for further instructions."*

Wasserhund Response: Wasserhund's Consultant (Price LLC) has requested a variance on this requirement in the past annual reports. Due to intermittent production times, flow rate variation, pressure build ups, brine density changes, monthly injection and production numbers can vary outside of the 90%-110% range, but over time always comes back to normal and generally falls within the 105% range.

There are many reasons for this as we have discussed, and thus the requirement to suspend operations is not based on any real parameter or trend that may be an immediate threat to the well, groundwater or the environment. The current requirement puts operators in a continuous violation and interruption of operations.

Of course notwithstanding, if you have a well that takes water without producing, or starts to pressure up, then you know you may have lost circulation or communicated to a pressure zone, then immediate action should be taken and notification to the agency.

The point to be made here is that this parameter is a trailing indicator not a leading indicator. Of course a continued pattern for a few months would be beneficial.

Therefore, Wasserhund recommends the following language:

Wasserhund will monitor the brine well operation and if the well has a sudden loss or gain of pressure, lost circulation, unexpected water flow, specific gravity changes significantly, or a continued pattern of difference between the fresh water injected and production of brine that falls out side of the acceptable range of 90-110%, then Wasserhund will shut down operations and notify the OCD within 72 hours.

Within 30 days, Wasserhund will submit a corrective action plan for OCD approval.

2.D. CLOSURE: Reads; “The Permittee shall submit an updated closure plan, with third-party cost estimate for its well pursuant to 20.6.2.5209 NMAC and as specified in Permit Conditions 2.I and 5.B to address: well plug and abandonment, land surface restoration; environmental groundwater monitoring (if applicable); pipeline abandonment; and five years of surface subsidence monitoring.”

Wasserhund Response: A closure plan has been submitted to address the items listed above, however during discussions with OCD staff, the surface subsidence monitoring was allowed for three years. **Wasserhund hereby request this condition be changed to reflect the three years rather than five.**

In addition, Wasserhund would like for the word “Pipeline” be removed as it has certain connotations in the oilfield and the fact there are no dedicated pipelines at the BW-04 facility.

We recommend using the language “piping removal or underground line abandonment.”

2.G. RELEASE REPORTING: “As Listed in Draft Permit”

Wasserhund Response: The entire language appears to come from the WQCC part 20.6.2.1203 NMAC (**NOTIFICATION OF DISCHARGE-REMOVAL**)

The WQCC reporting conditions and the OCD reporting conditions are not exactly the same. It appears OCD is mixing regulations and may cause confusion with the operator and the local district offices.

Therefore Wasserhund recommends that the entire language under 2.G. Release reporting be removed and replaced with the following:

All releases shall be reported and corrective actions taken pursuant to OCD rule 19.15.29 (Releases).

2.I. BONDING OR FINANCIAL ASSURANCE: Draft permit reads in part; *“Pursuant to 20.6.2.5210B(17) NMAC, the Permittee shall maintain at a minimum, a single well plugging bond in the amount that it shall determine, in accordance with Permit Conditions 2.D and 5.B, to cover potential costs associated with plugging and abandonment of the Class III well, surface restoration, environmental ground water monitoring (if applicable), pipeline abandonment, along with five years of surface subsidence monitoring thereafter. OCD may require additional financial assurance to ensure adequate funding is available to plug and abandon the well and/or for any required environmental related corrective actions.”*

Wasserhund Response: As requested above, recommend removing the word “Pipeline” and replace with the following language.

“piping removal or underground line abandonment.”

2.J. ANNUAL REPORT: Reads in part “The Permittee shall submit its annual report pursuant to 20.6.2.3107 NMAC to OCD’s Environmental Bureau by June 1st of the following year. The annual report shall include the following:

- Semi-annual monitor well analytical data results;

Wasserhund Response: **Wasserhund has requested a waiver on the new requirement for a monitor well. Please remove.**

- Pipeline hydrostatic test results;
- Pipeline visual leak inspection monitoring results at joints;

Wasserhund Response: As mentioned above, Wasserhund does not have any pipelines. Please remove.

- The Permittee shall file its Annual Report in an electronic format with a hard copy submittal to OCD's Environmental Bureau.

Wasserhund Response: Wasserhund requests waiver of a hardcopy unless OCD specifically has need for it. Wasserhund will supply upon individual request.

3.A. OPERATING REQUIREMENTS: Reads in part; *"The Permittee shall comply with the operating requirements specified in 20.6.2.5206A NMAC and 20.6.2.5206A NMAC to ensure that:"*

3. *"Pipeline: Initial hydrostatic testing of pipeline is required for any pressure loss, leakage, etc. at joints. The hydrostatic test report with "as-built" pipeline transect and associated construction information shall be submitted to OCD for approval before pipeline activation. Mandatory Hydrostatic Testing of the pipeline is required after leakage and/or before the expiration date of the Permit. The pipeline shall be constructed with an Emergency Shut-Down Device with block off locations for pipeline isolation, access, cleaning, testing, etc. Daily pipeline inspection and monitoring is required at a minimum for the first week and each time the pipeline is brought back into service after shut-down, service work, etc. The pipeline shall be inspected within 8-hours of pipeline pressure loss, upset, etc. Weekly inspection and monitoring at a minimum is required thereafter. Inspection record keeping is required and shall include the date and time of each inspection, inspectors name and contact information, weather conditions with inspection summary, any conclusion on pipeline condition with any recommendations. Spills or release locations shall include GPS Coordinates and be handled in accordance with Permit Condition 2.G."*

Wasserhund Response: It appears that some of the new brine wells recently permitted does have a long brine water lines and OCD has boiler plated this in all permits.

Wasserhund's BW-04 brine system does not have a pipeline by definition, but only has aboveground lines other than fresh water. The lines from the brine tanks to load lines are underlain with a secondary containment. There is one short aboveground brine line from the well over to the aboveground tanks.

Wasserhund requests that item 3, be removed from the draft permit.

3.D. MECHANICAL INTEGRITY FOR CLASS III WELLS: Reads in Part;

"The MIT shall consist of a 30-minute test at a minimum pressure of 500 psig measured at the surface when tubing is removed and a plug is installed within 20 ft. of the casing shoe depth. "

Wasserhund Response: Pursuant to **19.15.26.11** (TESTING, MONITORING, STEP-RATE TESTS, NOTICE TO THE DIVISION, REQUESTS FOR PRESSURE INCREASES) The minimum test pressure is 300 psig.

Wasserhund request that the permit reflect this change from 500 psig to 300 psig.

3.D.2.b Reads in part; *"Passes casing MIT if final test pressure is within +/- 10% of starting pressure, if approved by OCD (Note: Passes cavern test on a case-by-case basis determined by OCD);"*

Wasserhund understands the sensitivity issue on cavern tests due to formation and water compressibility factors, but OCD not allowing some tolerance is not practical.

Wasserhund request that at a minimum tolerance of +/- 1% be allowed, and more on a case by case basis approved by OCD.

3.D.2.d Reads in part; *"All chart recorder information, charts containing appropriate information, calibration sheets, etc. shall be provided to OCD within 5 working days of completing an MIT."*

Wasserhund Response: In order to be consistent with OCD rule **19.15.7.14.G** (SUNDRY NOTICES AND REPORTS ON WELLS (Form C-103)

Wasserhund Request that 30 working days be allowed to submit the information along with the required C-103.

3.E. WELL WORKOVER OPERATIONS: In part reads; *"Properly completed Forms C-103 and/or C-105 must be filed with OCD upon completion of workover activities and copies included in that year's Annual Report"*

Wasserhund Response: **Wasserhund hereby request that the OCD form C-105 not be required for pressure test, tubing repair, and miscellaneous remedial**

work, unless the casing is altered, new casing installed, or different tubing is installed and the setting depth is changed over a 100 feet.

3.F. FLUIDS INJECTION AND BRINE PRODUCTION VOLUMES AND PRESSURES:

Reads in part; *"The Permittee shall submit monthly reports of its injection and production volumes on or before the 10th day of the following month."*

Wasserhund's response: **Wasserhund hereby request that the submittal of monthly reports be omitted and the reports will be submitted in the annual report.**

"The Permittee shall suspend injection if the monthly injection volume is less than 110% or greater than 120% of associated brine production. If such an event occurs, the Permittee shall notify OCD within 24 hours."

Wasserhund's response: **Wasserhund recommends this part be omitted as it conflicts with draft permit condition 2.B.2.b.**

3.G. AREA OF REVIEW (AOR): Reads; *"The Permittee shall report within 72 hours of discovery any new wells, conduits, or any other device that penetrates or may penetrate the injection zone within a 1-mile radius from its Class III well. OCD shall be notified within 24 hours of having knowledge of any wells lacking cement within the cavern interval within a 1/2-mile radius from the Class III well"*

Wasserhund Response: Wasserhund has no ability to control wells that are permitted in the area nor be able to control the casing programs. This is solely OCD's responsibility.

Wasserhund's consultant (Price LLC) has had numerous conversations with OCD concerning this issue. OCD was suppose to implement a program that ID's brine wells so the OCD District offices would be able to control permitting of proximity wells.

Wasserhund also does an annual review of the wells located within ½ mile radius. OCD's bureau chief agreed a ½ mile AOR is sufficient, not the one mile specified.

Therefore, Wasserhund request that this section be omitted from the permit conditions.

5. SCHEDULE OF COMPLIANCE: Reads in part;

5.B. BONDING OR FINANCIAL ASSURANCE: “The Permittee shall submit an estimate of the minimum cost to properly close, plug and abandon its UIC Class III well, conduct ground water restoration if applicable, and any post-operational monitoring as may be needed (see 20.6.2.5210B(17) NMAC) within 90 days of permit issuance, and/or the Closure Plan addresses this requirement and is approved by OCD. The Permittee’s cost estimate shall be based on third person estimates. After review, OCD will require the Permittee to submit a single well plugging bond based on the third person cost estimate.”

Wasserhund Response: Wasserhund was required to submit this with the application. **Wasserhund requests this be removed from the permit conditions.**

5.D. SOLUTION CAVERN CHARACTERIZATION PLAN: The Permittee shall submit the Solution Cavern Characterization Plan required in accordance with Permit Condition 2.B.2 within 180 days of permit issuance.

Wasserhund Response: As pointed out above, there is no geophysical method or plan that is currently cost effective. **Wasserhund request this requirement be waived until OCD has a method that is viable and can be applied to most brine wells.**

AFFIDAVIT OF PUBLICATION

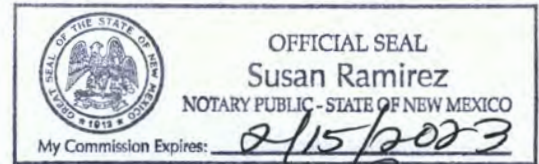
STATE OF NEW MEXICO

County of Bernalillo SS

NOTICE OF PUBLICATION
ON STATE OF NEW MEXICO
ENERGY MINERAL
SAND NATURAL RESOURCES
DEPARTMENT
OIL CONSERVATION
DIVISION NOTICE IS HEREBY
GIVEN THAT PURSUANT

Elise Rodriguez, the undersigned, on oath states that she is an authorized Representative of The Albuquerque Journal, and that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, and that payment therefore has been made or assessed as court cost; that the notice, copy of which hereto attached, was published in said paper in the regular daily edition, for 1 time(s) on the following date(s):

06/30/2019



Sworn and subscribed before me, a Notary Public, in and for the County of Bernalillo and State of New Mexico this

1 day of July of 2019

PRICE \$1,484.60

Statement to come at the end of month.

ACCOUNT NUMBER 1009556

NOTICE OF PUBLICATION

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

DAVIT OF PUBLICATION

OF NEW MEXICO

Bernalillo SS

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3108 NMAC), the following discharge permit renewal application has been submitted to the Director of the New Mexico Oil Conservation Division ("OCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3460:

(BW-4) Wasserhund Inc., Jon Gandy, Owner, P.O. Box 2140, Lovington, NM 88260, has submitted an application for an Underground Injection Control (UIC) Class III Brine Well Discharge Permit Renewal for the "Eldson State No. 1" (API# 30-025-26883), located 567 FSL and 162 FWL, UL: M in Section 31, Township 16 South, Range 35 East (Lat. N 32.87313", Long.: W 103.50503"), NMPM, Lea County, New Mexico. The brine well is located on State Road 238 approximately 7 miles west and 5 miles south of Lovington, New Mexico.

The brine production flow process is termed "normal flow" which consists of fresh water injection through the 2-3/8 in. tubing at an average surface injection rate of 10 - 15 gpm or approximately 475 bbl/day at an injection pressure range of 260 - 289 psig to a depth of approximately 2,460 ft. bgl. Brine is produced to surface via a 5-1/2 in. flush joint casing annulus directed through a whipstock window in 7 in. casing offset at an approximate depth of 1,734 ft. bgl to a depth of 2,100 bgl or at least 100 ft. below the top of the Salado "Salt" Formation at about 2,000 ft. bgl. Injection and production flow may temporarily be reversed as required periodically to clean the tubing and annulus. Injection pressure shall not exceed the permitted maximum surface injection pressure (MSIP) of 400 psig. Fresh water is supplied by a water supply well located approximately 250 ft. west of the brine well.

The brine station is approximately 100 ft. east of the brine well with an approximate 4,250 bbl. brine tank(s) storage capacity. The tank storage system is constructed with concrete and synthetic liners to prevent any spills or leaks from impacting land surface.

Brine fluid is expected to be at a Total Dissolved Solids-TDS concentration of about 324,000 ppm. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 85 ft. bgl with a TDS concentration of approximately 450 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, closure, and provides a contingency plan in the event of an accidental discharge.

The OCD has determined the renewal application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given above. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site <http://www.emnrd.state.nm.us/ocd/>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address given above. Prior to ruling on any proposed permit, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that OCD hold a public hearing. Requests for a hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no hearing is held, the Director will approve the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

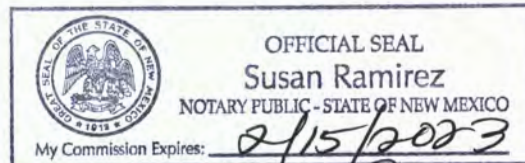
Para obtener más información sobre esta solicitud en español, sirvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energía, Minerales y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Laura Tulk, 575-748-1283).

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 30th day of June 2019.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

SEAL
Adrienne Sandoval, Director

Rodriguez, the undersigned, on oath states that she is an authorized Representative of the New Mexico Oil Conservation Commission, and that this newspaper is duly qualified to publish legal notices in the meaning of Section 3, Chapter 167, Session Laws of 1937, and that the notice, copy of which hereto has been made of assessed as court cost; that the notice, copy of which hereto is published in said paper in the regular daily edition, for 1 time(s) on the following



subscribed before me, a Notary Public, in and County of Bernalillo and State of New Mexico this

of July of 2019

\$1,484.60

to come at the end of month.

T NUMBER 1009556

Chavez, Carl J, EMNRD

From: Wayne Price <wayneprice@q.com>
Sent: Wednesday, April 10, 2019 1:16 PM
To: Chavez, Carl J, EMNRD
Cc: Wayne Price; jonrgandy Gandy
Subject: [EXT] BW-04 Land Owner Notification
Attachments: NMSLO Cert Letter PN BW-04 copy.pdf; ATT00001.txt

Dear Carl,

Please find attached verification that Wasserhund sent the landowner notification. Please file.

Certified-Return Receipt: 7017 2620 0000 4580 3735

April 3, 2019

New Mexico State Land Office
310 Old Santa Fe Trail,
Santa Fe, NM 87504

Reference: Salt Lease M197520001

Subject: Landowner Notification

Dear NMSLO:

Please find enclosed a revised Public Notice concerning the OCD permit renewal process for Brine Well-BW-04 located in Lea County NM.

If you have any questions please do not hesitate to call or E-mail Wayne Price-Price LLC consultant for Wassehund Inc. @ 505-715-2809 or wayneprice@q.com.

In addition you may contact Mr. Carl Chavez (NMOCD) as noted in the Public Notice.

Sincerely,

A handwritten signature in black ink, appearing to read 'W Price'.

Wayne Price-Price LLC

CC: Jon Gandy-Wasserhund Inc.
Carl Chavez-NMOCD

Attachments 2-

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

New Mexico State Land Office
310 Old Santa Fe Trail,
Santa Fe, NM 87504



9590 9402 4460 8248 5847 51

2. Article Number / Transfer from previous item

7017 2620 0000 4580 3735

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

☒ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?
If YES, enter delivery address below:☐ Yes
☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery (over \$500)

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☒ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

New Mexico Roundup News From Around The State

Former Hidalgo County Economic Developer Convicted Of Child Molestation

LORDSBURG — A former economic developer for the city and for Hidalgo County has been sentenced to four years in prison for molesting a boy in Fountain City,

Wis., last summer.

Thaddeus A. (Tad) Powers, 56, pleaded guilty to felony second-degree sexual assault of a child. A criminal complaint said Powers sexually

fondled and abused a 13-year-old boy. The offense took place at a house Powers owned in Fountain City last June.

Powers is the former direc-

tor of Habitat for Humanity of Winona-Fillmore counties in Wisconsin. His connections with the organization were severed when the charges became public.

Roswell Man's Dream Of Horse Racing Venue Faces Long Odds

ROS WELL — A Chaves County property owner has dreams of a horse racing and horse training facility on his land east of the city, and he plans to pursue the idea in spite of objections of some neighbors and a vote against it by a local commission.

Six people spoke against Margarito Rodriguez's request for a special use permit at a Nov. 20 meeting of the Roswell-Chaves County Extraterritorial Zoning (ETZ) Commission.

Prior to the meeting, 37 people had signed a petition in opposition to the permit, submitting their complaints to the Chaves County Planning and Zoning Department.

After listening to Rodriguez and his neighbors, the commission voted 4-0 to deny Rodriguez's application to train and race quarter horses.

Rodriguez said after the vote that he intended to appeal the commission's deci-

sion to the ETZ Authority.

Chaves County Planning Director Marlin Johnson and his staff had recommended to the commission that the request for a public horse racing venue be denied but said a horse training facility would be compatible with the area, if certain conditions were met. The city of Roswell, represented by Planning and Zoning Administrator Director Meredith Hildreth, took the same position.

Rodriguez, however, told the commission that he does not want to build a training facility if he cannot also have a public horse racing venue.

The commissioners noted that nothing would prohibit Rodriguez from training horses for himself or others, as long as he does not make that operation a commercial enterprise and no gambling is associated with it.

Rodriguez has 30 days to file an appeal, according to Johnson.

Pearce Announces Candidacy To Head State GOP

SANTA ROSA — U.S. Rep. Steve Pearce, who was defeated in his bid for New Mexico governor, has an-

nounced his candidacy for chairman of the Republican Party of New Mexico.

If elected by the party's

State Central Committee, Pearce will serve a two-year term as chairman.

The selection for a new

party chair will take place at the Marriott Pyramid of Albuquerque on Dec. 8.

Plastic Gun Results In Brief Clovis High School Lockdown

CLOVIS — The high school had a brief lockdown Nov. 19, and two teens were arrested in an incident that started with a plastic imitation gun.

According to a release from the Clovis Police Department, officers were dispatched to CHS after a parent had reported seeing a male student with a gray and black hooded sweatshirt and

a gray backpack and a firearm in his waistband.

The report put the school into a Level 1 lockdown, where instruction continues but all entrances are locked.

According to information supplied by Capt. Roman Romero of the CPD, units from the CPD, Curry County Sheriff's Office and New Mexico State Police arrived on the scene at 1:03 p.m.,

and by 1:05 found a subject matching the description in the center of the school.

The suspect, a 17-year-old male, was taken into custody and charged with the delinquent act of interference with the educational process.

A black imitation handgun was recovered from the juvenile.

A second student,

Jeremiah Maes, was also taken into custody when he walked by an officer who was speaking with a witness and called the witness a "(expletive) snitch." The officer detained Maes, reasoning in the report that Maes decided to include himself in the investigation.

It was discovered Maes had an outstanding warrant for larceny, criminal damage and residential burglary. He was arrested for the warrant, and also charged with intimidation of a witness.

Lea Regional Announces New Pain Management Service

Lea Regional Medical Center (LRMC) CEO Timothy Thornell is pleased to announce a new service, Pain Management that is being offered at Lea Regional by a new provider, Jose Luis Ramirez, CRNA, NPSM-C.

Pain management is the process of providing medical care that alleviates or reduces acute or chronic pain.

Acute pain is short term, and is normally attributed to a recent illness, injury, or surgery. The level of pain improves with the healing process.

Chronic pain is prolonged pain that ranges from mild to severe and may be constant or recurring.

Jose will treat pain related to: the neck, lower back, lumbar nerve, sciatic nerve, headaches, migraines, and complex regional pain syndrome. Jose works as a part of a pain management team, consulting with patient's primary care provider. Jose will offer interventions in the office or ultrasound and fluoroscopic X-ray guided injections in an outpatient hospital setting.

LRMC CEO Tim Thornell stated, "We're thrilled to offer this new service to the residents of Lea County and the association of provider like Jose Luis. Jose has a professional yet soothing manner. He listens to his patients concerns and evaluates the severity and causes of their pain. He provides his patients with treatment options and they select the best treatment together." Tim continued, "While Jose treats chronic pain patients, he also treats migraines. Migraines can be a debilitating nuisance to people who suffer from them, and almost 40 million Americans suffer from migraines. Jose can help peo-

ple who suffer from migraines, allowing those people to return to a more normal life."

Jose Luis comes most recently from Nor-Lea Hospital District, and he has been practicing in New Mexico for the past eight years. He has almost 15 years of experience in the medical field. He received his Bachelor of Science in Nursing (BSN) from New Mexico State University, and Master of Science in Nurse Anesthesia from Mount Marty College in Yankton, SD. Jose has also completed an Advanced Pain Management Fellowship at the University of South Florida in Tampa, FL. Jose is Board Certified in interventional pain management and anesthesiology.

Jose said, "My professional objective is to improve the quality of life for the complex acute and chronic pain patient by providing compassionate and quality comprehensive pain management care with a patient centered focus in a rural community." He continued, "Everyone in Lea County has been warm and welcoming to me, especially the staff at Lea Regional. I look forward to building a long-term Pain Management program here, so that my patients do not have to drive two or more hours to get the care they need. I also look forward to helping my patients get back to their lives by alleviating their pain."

Jose Luis is seeing patients now at Lea Regional Medical Group: Primary & Urgent Care located at 5320 N. Lovington Hwy., please call (575) 492-LRMG (5764) to schedule an appointment. Or visit our website, www.MyHobbsDoc.com to learn more. Patients may need a referral, and they should check with their primary care provider.

Tucumcari Woman Charged With ID Theft

TUCUMCARI — A local woman was arrested and jailed in a 66-count complaint of identity theft and illegally using a debit or credit card for nearly \$3,000 in transactions.

Crystal Marie Jones, 34, was booked Nov. 9 into the Quay County Detention Center and released by court order five days later, according to jail records. No attorney for her was listed in court records.

Frank Gutierrez, lead investigator for the 10th Judicial District Attorney's Office in Tucumcari, wrote the criminal complaint and filed it in magistrate court Nov. 8.

In the complaint, Gutierrez accuses Jones in 33 counts of unlawful use or theft of an ATM or credit card and 33 counts of identity theft.

Both types of charges are fourth-degree felonies that carry a penalty of up to 18 months in jail or up to a

\$5,000 fine.

According to the complaint, Jones used a debit or credit card for 17 transactions at Logan Food Mart, eight at Allsup's in Tucumcari, seven at Sun Valley Rides (the carnival company at the Quay County Fair) and one at Hudson Auto Supply in Tucumcari.

District Attorney Tim Rose stated in an email the victims, a husband and wife, were from Curry County.

Public Notice

Renewal of Discharge Permit (BW-004) Wasserhund Inc., P.O. Box 2140 Lovington, New Mexico 88260. Jon Gandy has filed a permit renewal application with the New Mexico Oil Conservation Division (OCD) to renew the operating permit for the UIC Class III Brine Well "Eidson State No. 1" (API# 30-025-26883) UL: M Section 31 Township 16 South, Range 35 East, 567 FSL, 162 FWL, Lat. 32.87313", Long. 103.50503" NAD83, NMMP, Lea County, New Mexico.

This site is located on State Road 238 and approximately 7 miles west and 5 miles south of Lovington, New Mexico.

Fresh water is injected down a 2460' long 2-3/8" tubing arrangement contained in a 5-1/2" casing (annulus) whipstock offset located at 1734 feet. The casing is set at a depth of 2100 feet below the surface, which is 50 feet into the Salado Salt Formation.

Anticipated 10lb/gal quality brine water from the Salado salt formation is returned to the surface thru the casing annulus.

The site produces approximately 25,000 barrels of brine water per month with an average injection pressure of 260-280 psig. Maximum injection/test pressure is limited by an auto-pressure shut down switch.

Ground water in this area is approximately 75 feet below the ground surface and has a total dissolved solid content of 600-700 mg/L.

This facility has the capacity to store approximately 4,250 bbls of brine water in above ground tanks and is designed and permitted to have no intentional water contaminants discharged to the surface or subsurface for the protection of groundwater. The system has concrete and synthetic liners to prevent any spills or leaks from reaching the ground surface.

If you have any questions or concerns please do not hesitate to contact Wasserhund Inc. at the address above or you may contact Wayne Price 505-715-2809 or E-mail wayneprice@q.com. Wasserhund Inc. welcomes your input.

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Published in the Lovington Leader November 29, 2018

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JINGLE BELL JOG & PARADE OF LIGHTS

JINGLE BELL JOG - SATURDAY, DECEMBER 1
Open to all ages and dogs on leashes, too!
Wear your lights to participate in the fun run.

Pre-register at odessaparks.org/jinglebelljog or at the City of Odessa Parks Office: 1100 W. 42nd St.
Race Day Registration at Odessa College Deadrick Hall - South Parking Lot
4:00 p.m. - 5:00 p.m. • Run begins at 6:00 p.m.

PARADE OF LIGHTS - SATURDAY, DECEMBER 1
Enjoy festive floats, dancers, marching bands and the appearance of Santa.
Up to \$2,000 cash prize for winning float!
Begins at 6:30 p.m.

Route: Starts at 23rd Street and Grant Avenue and travels south to 3rd Street.

Visit odessa.tx.gov/parade for the route map and parade floats application.
For more information, visit odessaparks.org.





Affidavit of Publication

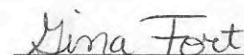
STATE OF NEW MEXICO)
) ss.
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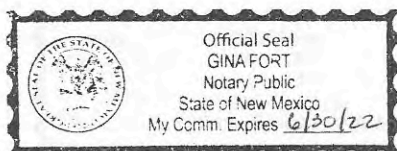
Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Manager of THE LOVINGTON LEADER, a once a week newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled Public Notice was published in a regular and entire issue of THE LOVINGTON LEADER and not in any supplement thereof, for one (1) day(s), beginning with the issue of November 29, 2018 and ending with the issue of November 29, 2018.

And that the cost of publishing said notice is the sum of \$ 128.70 which sum has been (Paid) as Court Costs.


Joyce Clemens, Advertising Manager
Subscribed and sworn to before me this 29th day of November, 2018.


Gina Fort
Notary Public, Lea County, New Mexico
My Commission Expires June 30, 2022



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Anticipated 10lb/gal quality brine water from the Salado salt formation is produced and flows thru the casing annulus.

The site produces approximately 25,000 barrels of brine water per month at a wellhead pressure of 260-280 psig. Maximum injection/test pressure is limited by a pressure down switch.

Ground water in this area is approximately 75 feet below the ground surface and has a dissolved solid content of 600-700 mg/l.

This facility has the capacity to store approximately 4,250 bbls of brine water and is designed and permitted to have no intentional water contaminants released to the surface or subsurface for the protection of groundwater. The system has concrete containment walls to prevent any spills or leaks from reaching the ground surface.

If you have any questions or concerns please do not hesitate to contact Wayne Price at the address above or you may contact Wayne Price 505-715-2809 or E-mail wprice@wasserhund.com. Wasserhund Inc. welcomes your input.

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Published in the Lovington Leader November 29, 2018

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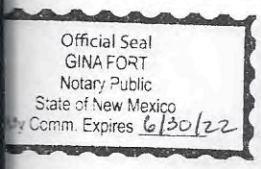
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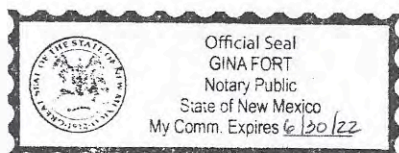
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Official Seal
GINA FORT
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State of New Mexico
Expires 6/30/22

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Published in the Lovington Leader November 29, 2018

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Monday, December 10, 2018 4:37 PM
To: Estes, Bob, DCA
Cc: Eck, David; 'Wayne Price'; jonrgandy Gandy; Griswold, Jim, EMNRD
Subject: RE: wasserhund bw 4
Attachments: log 109256.pdf; Map of BW-4 Mineral Ownership.pdf; Map of BW-4 on State Land.pdf

Bob, et al.:

Thank you for the Department of Cultural Affairs- Historic Preservation Division (HPD) letter (see attachment) with a finding and recommended action for the Permittee to contact the State Land Office.

OCD also confirms the well to be on State Lands (see attached Energy, Minerals and Natural Resources Department GIS Land Map). However the Mineral Ownership Map (also attached) indicates the U.S. does not own minerals at the well location.

By receipt of this e-mail, the New Mexico Oil Conservation Division (OCD) requires the Permittee to respond to the attached HPD letter for the OCD Administrative Record and permitting consideration.

Thank you.

-----Original Message-----

From: Estes, Bob, DCA
Sent: Monday, December 10, 2018 2:45 PM
To: Chavez, Carl J, EMNRD <CarlJ.Chavez@state.nm.us>
Cc: Eck, David <deck@slo.state.nm.us>
Subject: FW: wasserhund bw 4

'Afternoon Carl,

Here is SHPO's response to the Wasserhund permit renewal (BW-4) in Lea county.

Please note that the property ownership on the application may be in error.

If you have any questions or comments, please feel free to call me directly at 505-827-4225 or email me.

Bob Estes Ph.D.
HPD Staff Archaeologist
New Mexico State Historic Preservation Division
407 Galisteo St., Suite 236
Santa Fe, New Mexico 87501

-----Original Message-----

From: HPDXerox@state.nm.us [mailto:HPDXerox@state.nm.us]

Sent: Monday, December 10, 2018 2:14 PM

To: Estes, Bob, DCA

Subject: wasserhund bw 4

Please open the attached document. It was scanned and sent to you using a Xerox Multifunction Device.

Attachment File Type: pdf, Multi-Page

Multifunction Device Location: machine location not set

Device Name: HPD_Xerox_WorkCentre_5945

For more information on Xerox products and solutions, please visit <http://www.xerox.com>



Susana Martinez
Governor

STATE OF NEW MEXICO
DEPARTMENT OF CULTURAL AFFAIRS
HISTORIC PRESERVATION DIVISION

BATAAN MEMORIAL BUILDING
407 GALISTEO STREET, SUITE 236
SANTA FE, NEW MEXICO 87501
PHONE (505) 827-6320 FAX (505) 827-6338

December 10, 2018

Carl Chavez
Environmental Engineer
Oil Conservation Bureau-Environmental Bureau Mining and Minerals Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Wassrhund Inc. Brine Well Discharge Permit renewal BW-4 (HPD Log 109256)

Dear Mr. Chavez:

This letter is in response to the above referenced permit renewal application received at the Historic Preservation Division (HPD) on November 09, 2018. According to the application, the proposed project is within Township 16 South, Range 35 East, Section 31.

My review shows that the NM State Land Office (SLO) owns the surface and minerals, although the renewal application indicates the land is private property. Additional research strongly suggests that the property owner listed in the application is leasing the surface rights from the SLO.

I reviewed our records to determine if cemeteries, burial grounds or cultural resources listed on the State Register of Cultural Properties or the National Register of Historic Places exist within or near the permit area. Our records show that there are no cultural resources listed on the National Register or State Register within or near the proposed permit area and no known cemeteries or burial grounds.

Our records also show that there have been only two surveys to identify cultural resource near the permit area. Although no cultural resources were identified during those surveys, we do not have enough information to be sure that no cultural resources on state land have been, or will be affected.

We recommend that permit applicant contact the State Land Office for advice on whether or not a survey is necessary for the permit renewal. I have Cc' this letter to David Eck, SLO archaeologist.

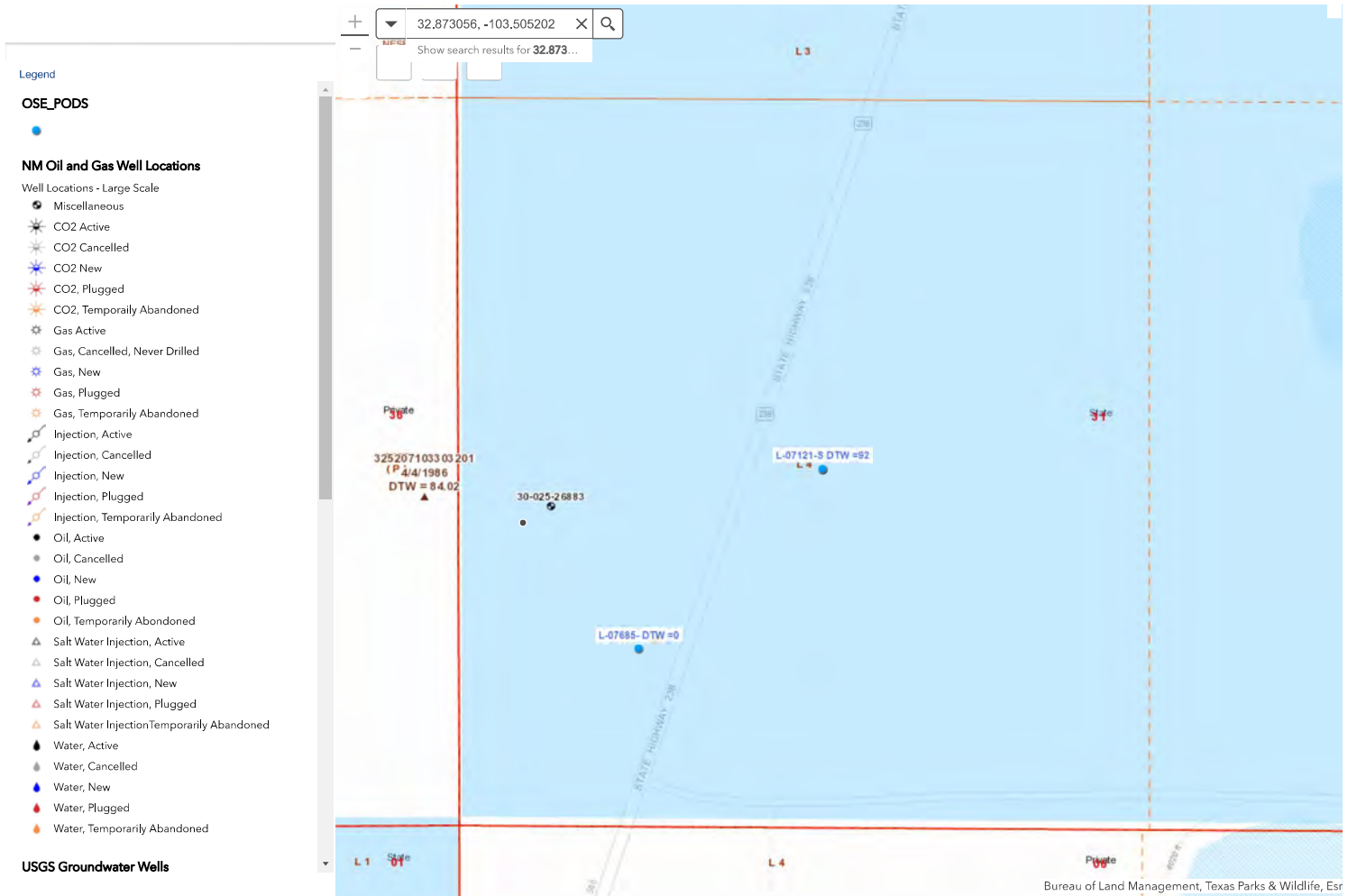
Please do not hesitate to contact me if you have any questions regarding these comments. I can be reached by telephone at (505) 827-4225 or by email at bob.estes@state.nm.us.

Sincerely,

A handwritten signature in blue ink that reads "Bob Estes". The signature is fluid and cursive, with a long horizontal stroke extending from the end of the name.

Bob Estes Ph.D.
Archaeologist

Cc. David Eck
State Land Office
310 Old Santa Fe Trail
Santa Fe, NM 87501
(505) 827-5857
deck@state.nm.us





Legend

- ▲ Salt Water Injection, Active
- ▲ Salt Water Injection, Cancelled
- ▲ Salt Water Injection, New
- ▲ Salt Water Injection, Plugged
- ▲ Salt Water Injection Temporarily Abandoned
- ▲ Water, Active
- ▲ Water, Cancelled
- ▲ Water, New
- ▲ Water, Plugged
- ▲ Water, Temporarily Abandoned

USGS Groundwater Wells

OCDGIS.OCDPUB.Lea_County_Monitoring_Wells



USGS Active Monitoring GW Wells



USGS Historical GW Wells



OCD PLSS

PLSS Second Division



PLSS First Division



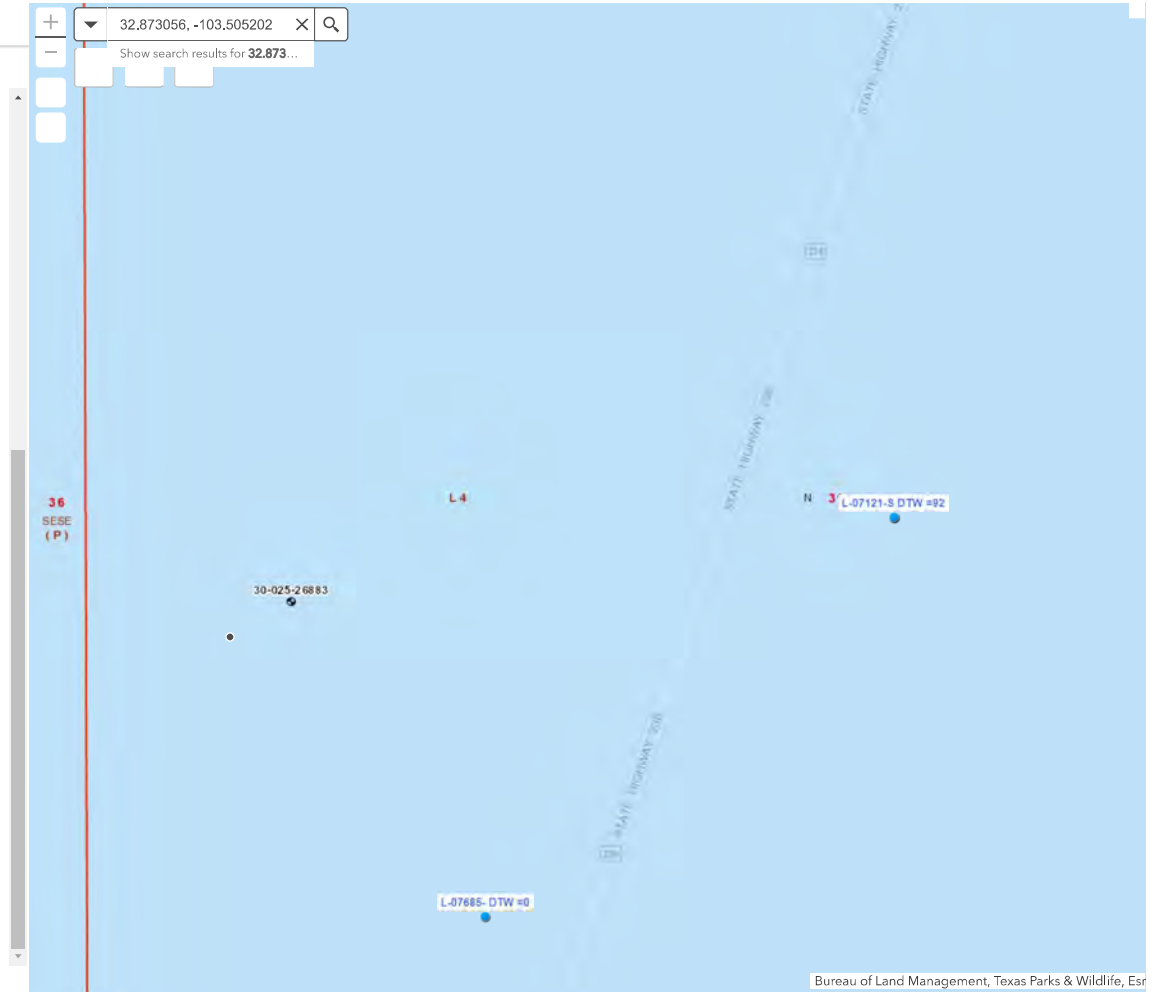
Mineral and Surface Ownership

Mineral Ownership

- A-All minerals are owned by U.S.
- C-Only coal is owned by the U.S.
- G-Only oil, gas and coal are owned by the U.S.
- N-No minerals are owned by the U.S.
- O-Only oil and gas are owned by the U.S.
- T-Other minerals are owned by the U.S.

OCD Districts and Offices

OCD District Offices



30m
100ft

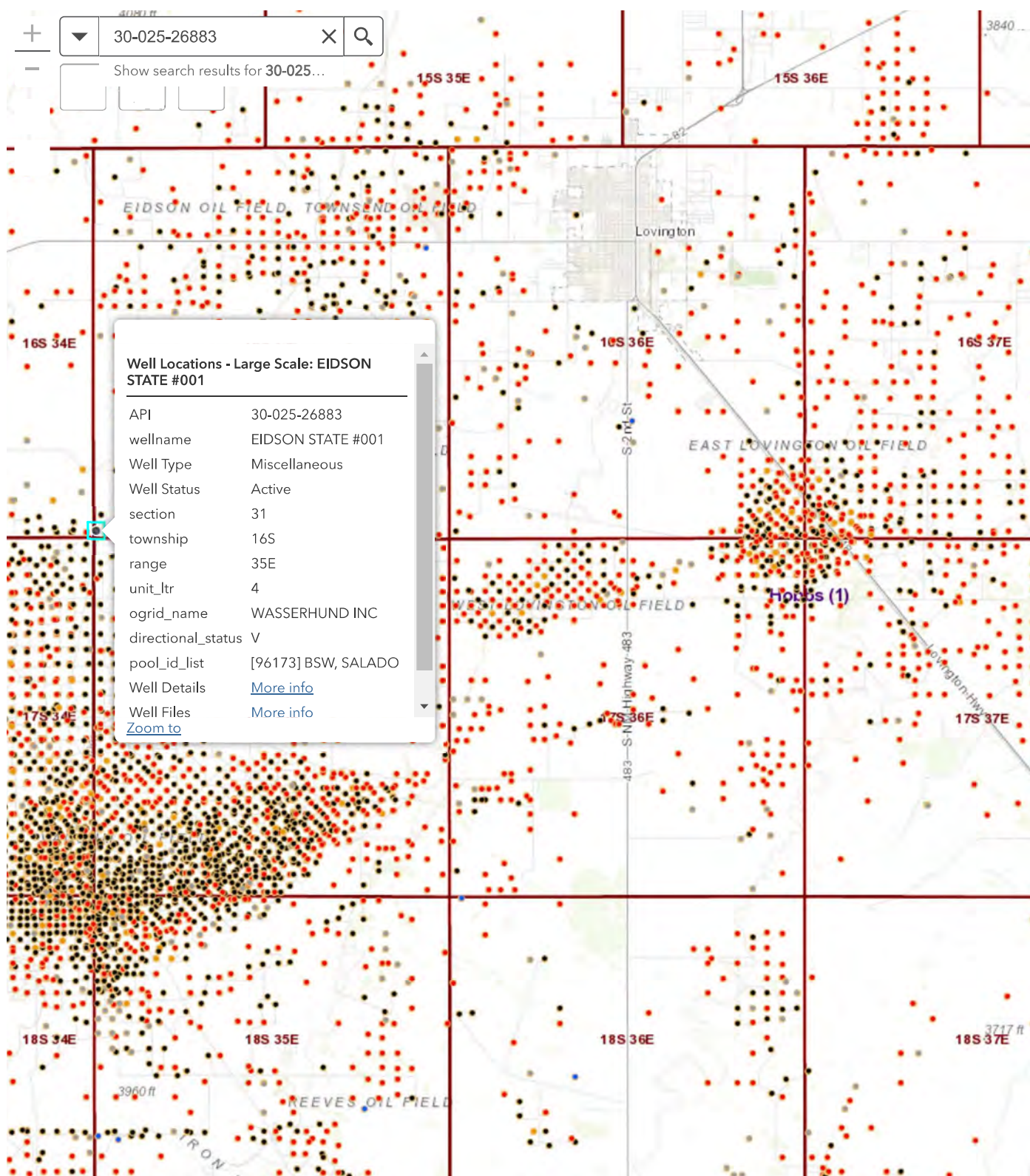
32.87354 -103.50464 Degrees

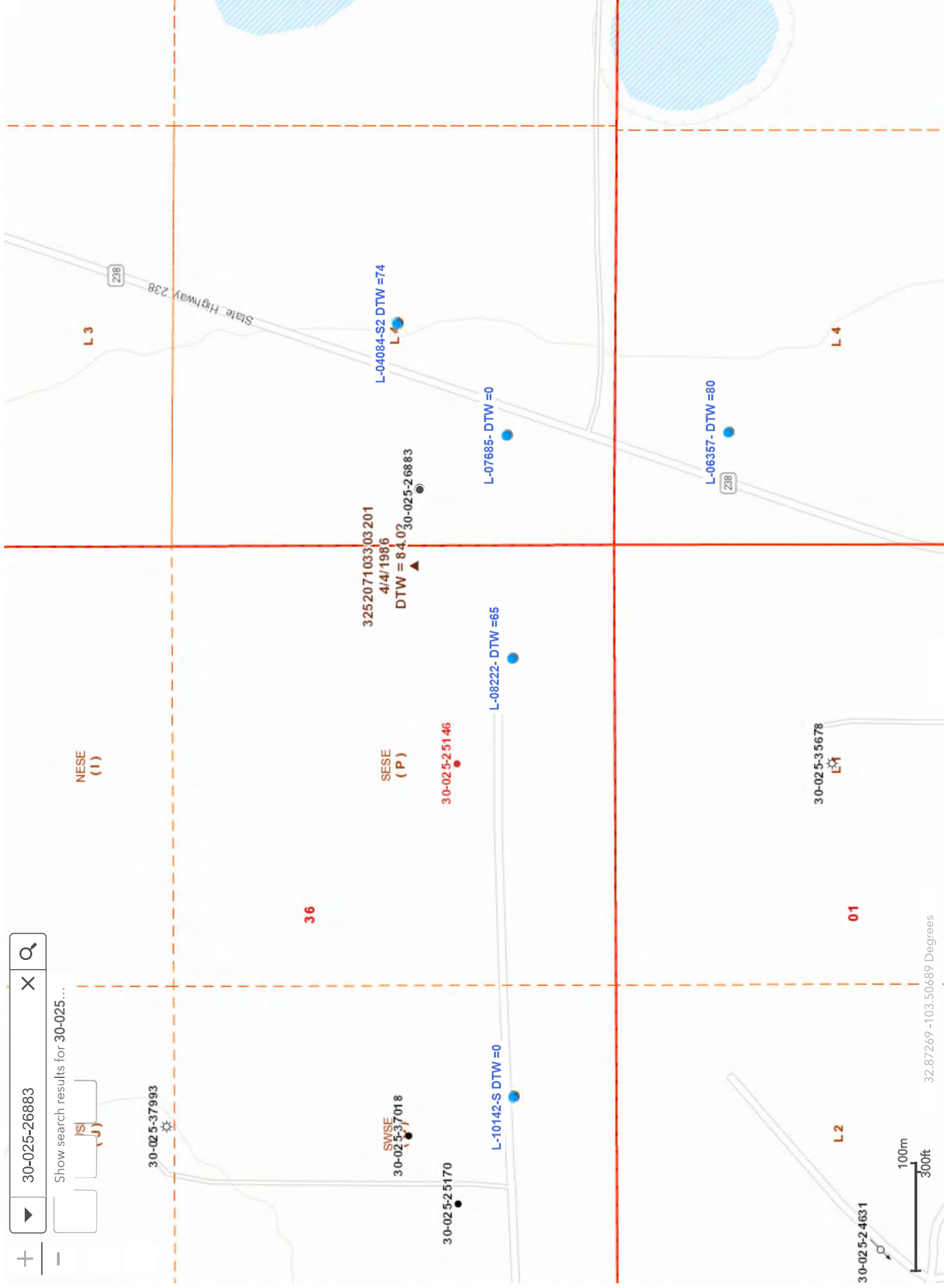
All rights reserved

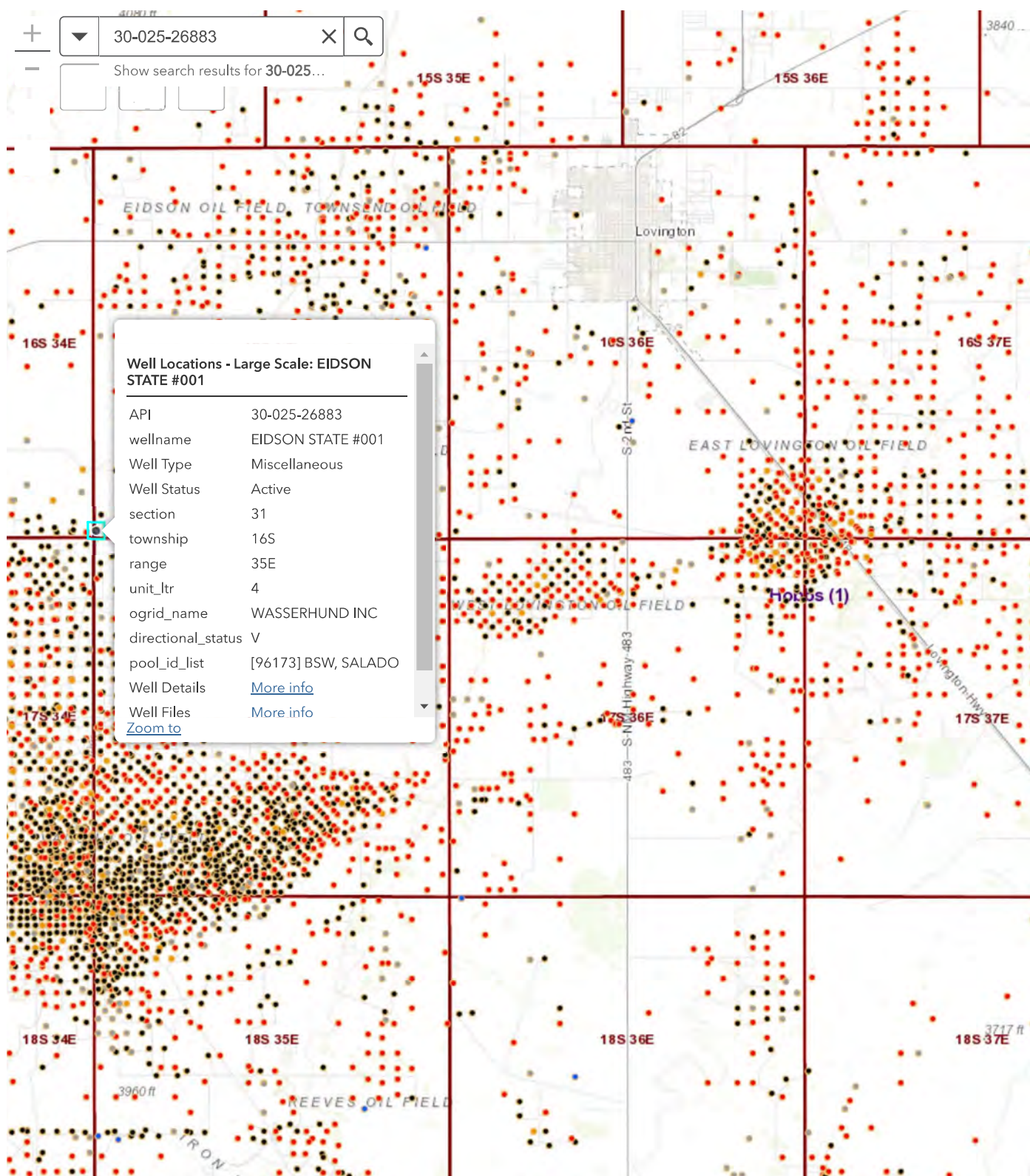


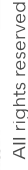
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All rights reserved















State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



NOVEMBER 9, 2018

**CERTIFIED MAIL
RETURN RECEIPT NO: 5995 4032**

Mr. Wayne Price- Price LLC
C/O: Mr. Larry Gandy
Wasserhund Inc.
P.O. Box 2140
Lovington, New Mexico 88260

Re: Discharge Permit (BW-4) Wasserhund Inc., UIC Class III Brine Well "Eidson State No. 1" (API# 30-025-26883) UL: M Section 31 Township 16 South, Range 35 East, 567 FSL, 162 FWL, Lat. 32.87313°, Long. 103.50503° NAD83, NMPM, Lea County, New Mexico

Mr. Price,

The New Mexico Oil Conservation Division (OCD) is in receipt of the Wasserhund Inc. (Wasserhund) discharge permit renewal application dated June 6, 2018, received on June 12, 2018, for the Eidson State No. 1 Brine Well at the above referenced well location.

After review of the application with additional information, the OCD has determined Wasserhund's application is "**administratively complete**" per New Mexico Water Quality Control Commission regulations (20.6.2.3108 NMAC).

Wasserhund's obligation to provide public notice should commence and be demonstrated to the OCD in a timely manner. The OCD will also provide notice to various governmental groups. Depending upon the level of public interest, a hearing may be scheduled on this matter. Regardless, the OCD will continue review of the application and may request additional information.

If you have any questions, please do not hesitate to contact me by phone at (505) 476-3490, U.S. Mail at the address below, or e-mail at carlj.chavez@state.nm.us. On behalf of the OCD, I wish to thank you and your staff for your continued cooperation in this process.

Sincerely,

Carl J. Chavez
Environmental Engineer

xc: OCD Hobbs District Office

Chavez, Carl J, EMNRD

From: Wayne Price <wayneprice@q.com>
Sent: Saturday, November 3, 2018 11:04 PM
To: Chavez, Carl J, EMNRD
Cc: Wayne Price; Larry Gandy; jonrgandy Gandy
Subject: [EXT] DRAFT BW-04 Public Notice and Well diagram with formation Tops.
Attachments: Wass BW-04 2018 Public Notice Display Ad-Mod.pdf; BW-04 wel bore-log.xlsx; ATT00001.txt

Dear Carl,

Please find a draft Public Notice for your review and an Xcel spreadsheet that has the "as built" well bore arrangement superimposed on a log, which shows formation tops. Please review and advise us if this is acceptable. If you approve then I will put the excel sheet into a Tiff file or PDF and get the Spanish version sent to you.

Once we get past the BW-04 then I will work on the BW-22.

Chavez, Carl J, EMNRD

From: Wayne Price <wayneprice@q.com>
Sent: Monday, November 5, 2018 9:58 AM
To: Chavez, Carl J, EMNRD
Cc: Wayne Price; Larry Gandy; jonrgandy Gandy
Subject: [EXT] Re: DRAft BW-04 Public Notice and Well diagram with formation Tops.
Attachments: Wass BW-04 2018 Public Notice Display Ad-Mod copy.pdf; ATT00001.txt

Dear Carl,

Please use this Public Notice as I corrected the amount of stored brine on site.

Public Notice Display Ad: (Lovington, NM “Leader”)

Legal notification for 3"x4" newspaper display add per Water Quality Control Commission Regulations 20.6.2.3.108.8.4 NMAC

Renewal of Discharge Permit (BW-004) Wasserhund Inc., P.O. Box 2140 Lovington, New Mexico 88260. Jon Gandy has filed a permit renewal application with the New Mexico Oil Conservation Division (OCD) to renew the operating permit for the UIC Class III Brine Well "Eidson State No. 1" (API# 30- 025-26883) UL: M Section 31 Township 16 South, Range 35 East, 567 FSL, 162 FWL, Lat. 32.87313°, Long. 103.50503° NAD83, NMPM, Lea County, New Mexico.

This site is located on State Road 238 and approximately 7 miles west and 5 miles south of Lovington, New Mexico.

Fresh water is injected down a 2460' long 2-3/8" tubing arrangement contained in a 5-1/2" casing (annulus) whipstock offset located at 1734 feet. The casing is set at a depth of 2100 feet below the surface, which is 50 feet into the Salado Salt Formation.

Anticipated 10lb/gal quality brine water from the Salado salt formation is returned to the surface thru the casing annulus.

The site produces approximately 25,000 barrels of brine water per month with an average injection pressure of 260-280 psig. Maximum injection/test pressure is limited by an auto-pressure shut down switch.

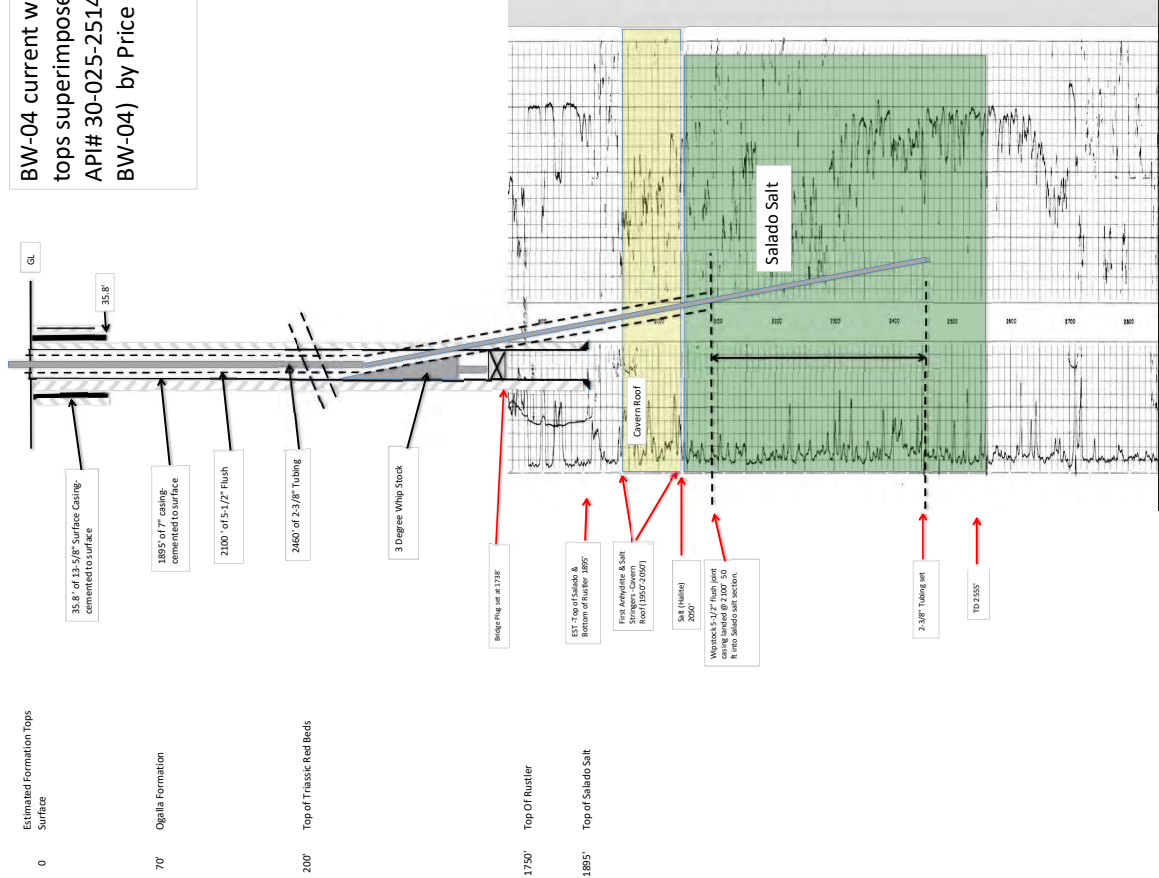
Ground water in this area is approximately 75 feet below the ground surface and has a total dissolved solid content of 600-700 mg/l.

This facility has the capacity to store approximately 4,250 bbls of brine water in above ground tanks and is designed and permitted to have no intentional water contaminants discharged to the surface or subsurface for the protection of groundwater. The system has concrete and synthetic liners to prevent any spills or leaks from reaching the ground surface.

If you have any questions or concerns please do not hesitate to contact Wasserhund Inc. at the address above or you may contact Wayne Price 505-715-2809 or E-mail wayneprice@q.com. Wasserhund Inc. welcomes your input.

The New Mexico Oil Conservation Division (OCD) will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Interested persons may contact Carl Chavez-Environmental Engineer, Oil Conservation Division (OCD) 505-476-3465 or by writing 1220 South Saint Francis, Santa Fe, New Mexico, 87505.

BW-04 current well bore diagram with formation tops superimposed on the Exxon St. #1 Well Log API# 30-025-25146 (Located 1/4 mile to the west of BW-04) by Price LLC November 03, 2018.



Chavez, Carl J, EMNRD

From: Wayne Price <wayneprice@q.com>
Sent: Monday, November 5, 2018 9:58 AM
To: Chavez, Carl J, EMNRD
Cc: Wayne Price; Larry Gandy; jonrgandy Gandy
Subject: [EXT] Re: DRAft BW-04 Public Notice and Well diagram with formation Tops.
Attachments: Wass BW-04 2018 Public Notice Display Ad-Mod copy.pdf; ATT00001.txt

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Chavez, Carl J, EMNRD

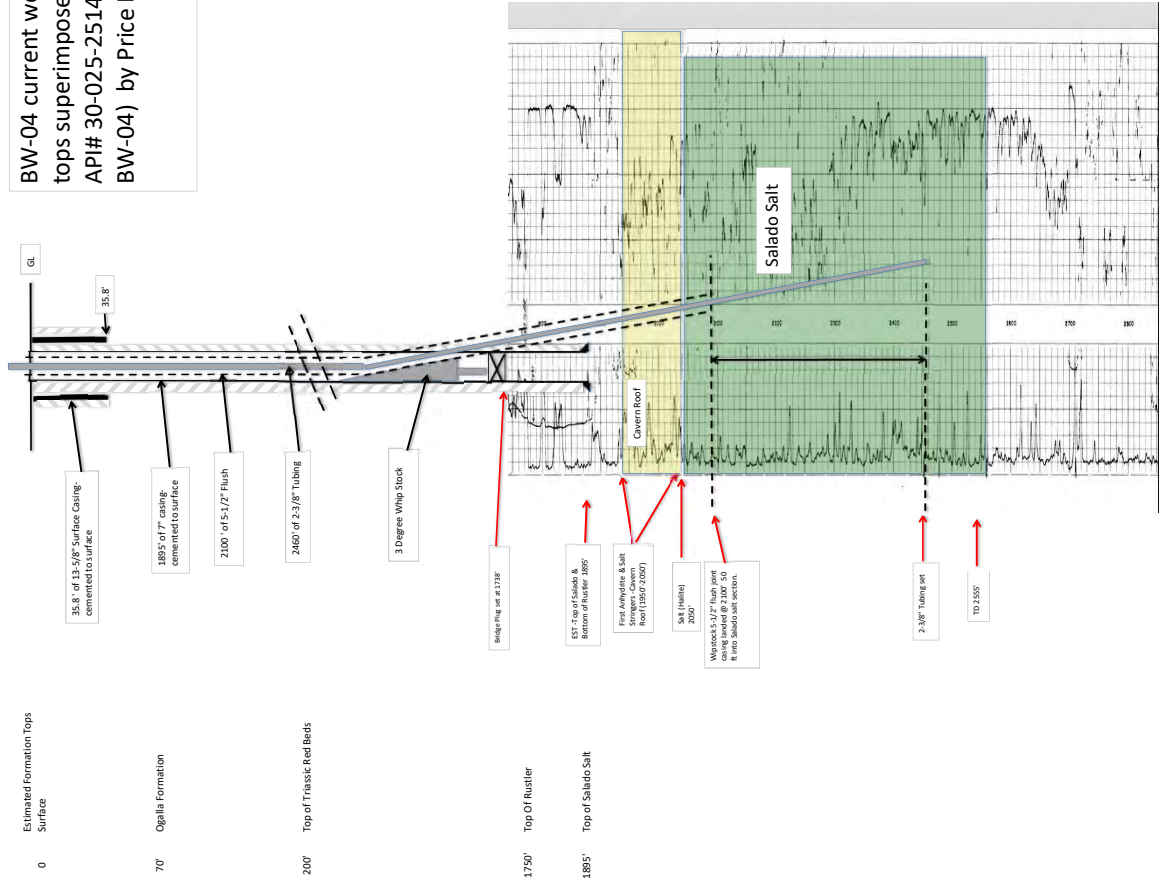
From: Wayne Price <wayneprice@q.com>
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Cc: Wayne Price; Larry Gandy; jonrgandy Gandy
Subject: [EXT] DRAFT BW-04 Public Notice and Well diagram with formation Tops.
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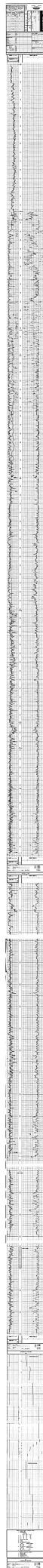
Dear Carl,

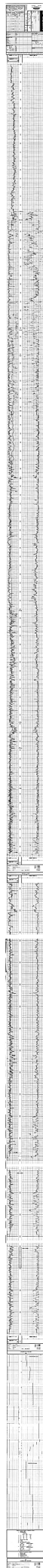
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BW-04 current well bore diagram with formation tops superimposed on the Exxon St. #1 Well Log API# 30-025-25146 (Located 1/4 mile to the west of BW-04) by Price LLC November 03, 2018.







Chavez, Carl J, EMNRD

From: Wayne Price <wayneprice@q.com>
Sent: Tuesday, October 2, 2018 8:40 AM
To: Chavez, Carl J, EMNRD
Cc: Wayne Price; Griswold, Jim, EMNRD; Larry Gandy
Subject: Re: [EXT] BW-4 (Wasserhund, Inc. Eidson State #1 API# 30-025-26883): OCD Not Administratively Complete Letter Communication E-mail

Thank you Carl, this will really help me to achieve Admin approval.

On Oct 2, 2018, at 8:32 AM, Chavez, Carl J, EMNRD <CarlJ.Chavez@state.nm.us> wrote:

Wayne:

Good morning.

A few additional comments to convey on the public notice (take a look at historical public notices):

1. "This site" should be changed to "The Eidson State No. 1 brine well is located";
2. Add UL: M with (SW/4 SW/4);
3. Include the API# 30-025-26883;
4. Description of the well construction and stratum (i.e., casing shoe set at depth, well TD, rock-salt contact depth, tubing orientation and depth, window top/bot. depths, whip stock depth, etc.) in addition to the "reverse flow" description, station tank type and vols;
5. Brine quality;
6. DTW ~ 70 ft.

After OCD admin. complete determination is realized, some financial assurance info. to communicate:

1. WQCC Bonds are now required for brine wells to be in place before permit may be issued;
2. A Closure Plan for OCD approval with cost estimate to plug well, surface reclamation, 2- yrs. post closure subsidence monitoring, and any decommissioning of pipeline and surface infrastructure;
3. Upon approval of the closure plan and cost estimate, the Operator may proceed to obtain the WQCC Bond and upon approval by OCD, may request the release of any remaining bonds on the well with OCD;

Technical info. requested to proceed with permit when admin. completeness is achieved:

1. New well diagram with lithologies displayed and flow scheme (discrepancies noticed between historical well diagrams and current whip stock diagram) and should match public notice;

2. Double check AOR wells within ½ mile of the brine well with historical file info.;
3. It would appear the MSIP is about 348 based on top of whip stock;
4. FYI: OCD is very concerned about any wash-out of the rock-salt contact on any existing reverse-flow brine wells with casing shoes at or near the rock-salt contact. A recent operator opted to install liner into the good salt formation to prevent continual wash-out of cavern roof and switch to regular flow to produce high density brine. This may also be good opportunity for Operator to locate better salt zones.

Thank you.

Mr. Carl J. Chavez, CHMM (#13099)
New Mexico Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St Francis Drive
Santa Fe, New Mexico 87505
Ph. (505) 476-3490
E-mail: CarlJ.Chavez@state.nm.us

“Why not prevent pollution, minimize waste to reduce operating costs, reuse or recycle, and move forward with the rest of the Nation?” (To see how, go to: <http://www.emnrd.state.nm.us/OCD> and see “Publications”)

From: Wayne Price <wayneprice@q.com>
Sent: Monday, October 1, 2018 6:40 PM
To: Chavez, Carl J, EMNRD <CarlJ.Chavez@state.nm.us>
Cc: Wayne Price <wayneprice@q.com>; Larry Gandy <lgandy@gandycorporation.com>; Griswold, Jim, EMNRD <Jim.Griswold@state.nm.us>
Subject: [EXT] Re: BW-4 (Wasserhund, Inc. Eidson State #1 API# 30-025-26883): OCD Not Administratively Complete Letter

Thank you Carl, will work on.

On Oct 1, 2018, at 11:55 AM, Chavez, Carl J, EMNRD
<CarlJ.Chavez@state.nm.us> wrote:

<image001.gif>

Mssrs: Larry Gandy and Wayne Price,

Please find attached the New Mexico Oil Conservation Division (OCD) above subject letter. OCD is focused on the Wasserhund, Inc. Brine Well WQCC Applications (applications) for Renewal.

OCD has taken more time to review the applications based on references to the file in the submitted original application for renewal. OCD looks forward to working with Wasserhund, Inc. to complete the administratively complete process and to receive any additional technical information to successfully complete the permit review process.

A hard copy was placed in the U.S. Mail this morning.

Thank you.

Mr. Carl J. Chavez, CHMM (#13099)
New Mexico Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St Francis Drive
Santa Fe, New Mexico 87505
Ph. (505) 476-3490
E-mail: CarlJ.Chavez@state.nm.us

“Why not prevent pollution, minimize waste to reduce operating costs, reuse or recycle, and move forward with the rest of the Nation?” (To see how, go to: <http://www.emnrd.state.nm.us/OCD> and see “Publications”)

<OCD Not Admin Complete 10-1-2018.pdf>

Wayne Price-Price LLC
312 Encantado Ridge CT NE
Rio Rancho, NM 87124
wayneprice@q.com
505-715-2809

Wayne Price-Price LLC
312 Encantado Ridge CT NE
Rio Rancho, NM 87124
wayneprice@q.com
505-715-2809

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Monday, October 1, 2018 11:55 AM
To: Larry Gandy; Wayne Price
Cc: Griswold, Jim, EMNRD
Subject: BW-4 (Wasserhund, Inc. Eidson State #1 API# 30-025-26883): OCD Not Administratively Complete Letter
Attachments: OCD Not Admin Complete 10-1-2018.pdf

Mssrs: Larry Gandy and Wayne Price,

Please find attached the New Mexico Oil Conservation Division (OCD) above subject letter. OCD is focused on the Wasserhund, Inc. Brine Well WQCC Applications (applications) for Renewal.

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A hard copy was placed in the U.S. Mail this morning.

Thank you.

Mr. Carl J. Chavez, CHMM (#13099)
New Mexico Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St Francis Drive
Santa Fe, New Mexico 87505
Ph. (505) 476-3490
E-mail: CarlJ.Chavez@state.nm.us

“Why not prevent pollution, minimize waste to reduce operating costs, reuse or recycle, and move forward with the rest of the Nation?” (To see how, go to: <http://www.emnrd.state.nm.us/OCD> and see “Publications”)

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



OCTOBER 1, 2018

**CERTIFIED MAIL
RETURN RECEIPT NO: 5995 4070**

Mr. Wayne Price- Price LLC
C/O: Mr. Larry Gandy
Wasserhund Inc.
P.O. Box 2140
Lovington, New Mexico 88260

Re: Discharge Permit (BW-004) Wasserhund Inc., UIC Class III Brine Well "Eidson State No. 1" (API# 30-025-26883) UL: M Section 31 Township 16 South, Range 35 East, 567 FSL, 162 FWL, Lat. 32.87313°, Long. 103.50503° NAD83, NMPM, Lea County, New Mexico

Mr. Price,

The New Mexico Oil Conservation Division (OCD) has received Wasserhund Inc.'s application for discharge permit renewal and the initial filing fee, dated June 12, 2018 for the Eidson State Well No. 1 located in the UL: M (SW/4 SW/4) of Section 31, Township 16 South. Range 35 East. NMPM, Lea County, New Mexico.

The department has determined based on 20.6.2.3108 NMAC that the application is **not administratively complete**.


The OCD has identified the following deficiencies:

- 1) The description of the activities that produce the discharge are not fully described as required by 20.6.2.3108(F)(3) NMAC. OCD requires more details about the brine well.
- 2) The brief description of the expected quality of the discharge is not present as required by 20.6.2.3108(F)(4) NMAC.
- 3) Synopsis of notice in English for OCD approval with complete Spanish Version also included in any Newspaper posting by operator for official WQCC Public Notice under 20.6.2.3108 (C)(2) NMAC.

Upon receipt of the information requested above, OCD may deem the application administratively complete and provide public notice pursuant to the WQCC notice requirements of 20.6.2.3108 NMAC to determine if there is any public interest.

Please contact me at (505) 476-3490 or carlj.chavez@state.nm.us if you have questions. Thank you for your cooperation throughout the review of the application.

Respectfully,


Carl I. Chavez

Environmental Engineer

xc: OCD District I Office, Hobbs

Energy, Minerals & Natural Resources Department CASH REMITTANCE REPORT (CRR)

* 0 0 0 0 0 0 0 0 0 0 *

OCD-Environment BW-4 & 22

Collection Period: / / through / / ④

[illegible]

Total	=====➔	\$	⑨	\$	⑩
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Over/Short Amount	\$	(11)
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CRR Deposit Amount	\$	12
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Print Name: Lorraine DeVargas (13) Signature: Lorraine DeVargas (13)

Print Name: _____¹³ Signature: _____¹³

Official Use Only

Date Received: _____ 1

Notes: _____ 2

Amount Received: _____ 3

State Treasurer Deposit Number: _____ 4

Verified by: _____ 6

Deposit Date: _____ 5

EMNRD

Cash Remittance Report (CRR)

PRICE LLC
312 ENCANTADO RIDGE CT NE
RIO RANCHO, NM 87124
PH. 505-715-2809

1656

95-32/1070 NM
1287

DATE June 7, 2018

PAY
TO THE
ORDER OF

NM Water Quality Management Fund
Two hundred ¹⁰/₁₀₀

\$ 200. ¹⁰/₁₀₀

DOLLARS

Photo
Safe
Deposit
Details on back

Bank of America

ACH/R/T 107000327

BW4

FOR

filing fee, Wasserkund & BW 22

Mary Ann Price

⑆00000⑆ ⑆000000⑆ ⑆00000000⑆

June 07, 2018

New Mexico Oil Conservation Division
1220 S. Saint Francis
Santa Fe, NM 87505

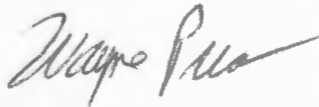
Att:: Mr. Carl Chavez-Envr. Engr.

Subject: Wasserhund Inc. BW-04 & BW-22

Dear Carl,

On behalf of Wasserhund Inc. Price LLC has enclosed permit renewal applications for the Wasserhund Inc. BW-04 and BW-22 Brine Wells, with \$200 filing fee.

Sincerely,

A handwritten signature in cursive script, appearing to read "Wayne Price-Price".

Wayne Price-Price LLC
wayneprice@q.com

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 1301 W. Grand Avenue, Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Revised June 10, 2003 Submit Original Plus 1 Copy to Santa Fe 1 Copy to Appropriate District Office
--	--	--

DISCHARGE PLAN APPLICATION FOR BRINE EXTRACTION FACILITIES

(Refer to the OCD Guidelines for assistance in completing the application)

New **XX** Renewal

- I. Facility Name: Eidson Brine Station-BW-04
II. Operator: Wasserhund Inc.
Address: P.O. Box 2140 Lovington, New Mexico 88260
Contact Person: Larry Gandy Phone: 575-399-5721


Request, Commitments and Attachments:

Pursuant to WQCC 20.6.2.5003.A NMAC "Existing Facilities" and per WQCC 20.6.2.5003.B; Wasserhund Inc. is requesting that the previously submitted information be referenced for this permit renewal application and Wasserhund Inc. hereby commits to continue and operate pursuant to the existing permit on-file with OCD until renewed by

OCD. **Required \$100.00 filing fee is attached hereto.**

- III. Location: SW/4 SW/4 Section 31 Township 16S Range 35E
Submit large scale topographic map showing exact location.- **ON File with OCD**
- IV. Attach the name and address of the landowner of the facility site.-**ON File with OCD**
- V. Attach a description of the types and quantities of fluids at the facility.-**ON File with OCD**
- VI. Attach a description of all fluid transfer and storage and fluid and solid disposal facilities.-**ON File with OCD**
- VII. Attach a description of underground facilities (i.e. brine extraction well).-**ON File with OCD**
- VIII. Attach a contingency plan for reporting and clean-up of spills or releases.-**ON File with OCD**
- IX. Attach geological/hydrological evidence demonstrating that brine extraction operations will not adversely impact fresh water.-**ON File with OCD**
- X. Attach such other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.-**ON File with OCD**
- XI. **CERTIFICATION:**

I hereby certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment.

Name: Larry Gandy Signature:  Consultant: Wayne Price-Price LLC 505-715-2809 wayneprice@q.com	Title: President Wasserhund Inc. Date: June 06, 2018
---	---

Public Notice Display Ad: (Lovington, NM "Leader")

Legal notification for 3"x4" newspaper display add per Water Quality Control Commission Regulations 20.6.2.3.108.8.4 NMAC

Wasserhund Inc., P.O. Box 2140 Lovington, New Mexico 88260, Larry Gandy, has filed a permit renewal application with the New Mexico Oil Conservation Division (OCD) to renew the operating permit for a class III brine well for its existing brine and fresh water station previously permitted by the OCD as BW-04.

This site is located on State Road 238 and approximately 7 miles west and 5 miles south of Lovington, New Mexico. The facility is located in the SW/4 of SW/4 of Section 31 of Township 16 South, Range 35 East, NMPM, Lea County, New Mexico.

Fresh water is injected into the Salado salt formation at a depth ranging from 2100 to 2600 feet below the surface to produce brine water. The site produces approximately 25,000 barrels of brine water per month.

Ground water in this area is approximately 75 feet below the ground surface and has a total dissolved solid content of 600-700 mg/l.

This facility is designed and permitted to have no intentional water contaminants discharged to the surface or subsurface for the protection of groundwater. The system has concrete and synthetic liners to prevent any spills or leaks from reaching the ground surface.

If you have any questions or concerns please do not hesitate to contact Wasserhund Inc. at the address above or you may contact Wayne Price 505-715-2809 or E-mail wayneprice@q.com. Wasserhund Inc. welcomes your input.

The New Mexico Oil Conservation Division (OCD) will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Interested persons may contact Jim Griswold, Oil Conservation Division (OCD) 505-476-3465 or by writing 1220 South Saint Francis, Santa Fe, New Mexico, 87505.

Para obtener mas informaci6n sobre esta solicitud en espanol, sirvase comunicarse par favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerals y Recursos Naturales de Nuevo Mexico), Oil Conservation Division (Depto. conservacton Del Petr6leo), 1220 South St. Francis Drive, Santa Fe, New Mexico {Contacto: Carl Chavez, 505-476-3490}

Public Notice Letter:

Legal notification to property owner(s) of the site per Water Quality Control Commission Regulations 20.6.2.3.108.8.3 NMAC

Certified Mail Return Receipt Requested:

Property Owner of Record: **Eidson Ranch Inc.**

Address: P.O. Box 1286

City/County: Lovington, NM 88260

State: New Mexico

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ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of Check No. 1656 dated 06/07/2018

or cash received on 06/12/2018 in the amount of \$ 200.00

from Prie, LLC

for permit renewal BN-04 BW-22

Submitted by: Carl Chavez Date: 06/12/18

Submitted to ASD by: Lorraine DeNargis Date: 06/12/18

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility: _____ Renewal: X

Modification _____ Other _____

Organization Code 521.07 Applicable FY 118

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

WASSERHUND, INC.
P.O. Box 2140
Lovington, NM 88260-2140

June 09, 2018

NM Oil Conservation Division
1220 S. Saint Francis
Santa Fe, NM 87505

Fresh Water injected at the Wasserhund Brine Station (BW-004)

May 2018 16985

Brine Water sold at the Wasserhund Brine Station (BW-004)

May 2018 16948

Average Pressure on Wasserhund Brine Station was 280 psi

Sincerely Yours:


Donny Collins