

Protested  
SWD

Application:  
Chevron

08/26/2019



**Cara Clophus Wright**  
Senior Counsel – Negotiations and Legal

August 20, 2019

AUG 26 2019 PM03:41

**Via U.S. First Class Mail**

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

Re: Chevron U.S.A. Inc.'s Objection to the Application to Drill and Complete for Saltwater Disposal, the Petes SWD #1 in Section 28, Township 23 South, Range 34 East, Lea County, New Mexico, by AWR Disposal LLC (the "Application")

Ladies and Gentlemen:

Chevron U.S.A. Inc. (Chevron) hereby objects to the above-referenced administrative application to drill and complete for saltwater disposal filed by AWR Disposal LLC ("Applicant").

Chevron is an "Affected Person" under Rule 19.15.2.7(A) NMAC. Applicant seeks to dispose up to 30,000 barrels per day of fluids into the Silurian, Fusselman, and Montoya formations at depths between 15,134 feet and 17,061 feet. Chevron believes that granting approval of the Application will cause waste and impair its correlative rights. As an oil and gas operator with a full field development plan for its acreage in this area, granting approval of the Application will prevent and/or limit the location and injection capacity of Chevron's SWD wells on its acreage, drive up disposal costs and delay or prevent development due to NMOCD's well proximity policy for SWD wells.

Additionally, the Application is insufficient in that while Applicant did provide notice of the Application to Chevron, it did not furnish a copy of the Application as required under subsection B of 19.15.26.8 NMAC,

Chevron hereby respectfully requests that this protested application be set for hearing in accordance with Rule 19.15.26.8(D), and, after appropriate notice and hearing, that the Application be denied.

Please contact me if you have any questions about this objection letter.

Sincerely,

CHEVRON U.S.A. INC.

By:

  
Cara Clophus Wright  
Senior Counsel

cc: AWR Disposal LLC  
3300 N. A Street, Ste. 220  
Midland, Texas 79705

R.T. Hicks Consultants, Ltd.  
901 Rio Grande Blvd. NW  
Albuquerque, New Mexico 87104

Chevron North America Exploration and Production Company  
(a Chevron U.S.A. Inc. division)  
1400 Smith Street, Room 06110, Houston, TX 77002  
Tel 713 372 9025 Fax 713 372 9052  
Cara.Wright@Chevron.com



Cara Wright

Chevron North America Exploration  
and Production Company (a division of Chevron U.S.A. Inc.)  
1400 Smith Street  
Houston, TX 77002

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1220 S. St. Francis Dr.  
Santa Fe, NM 87505

Mike

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