

**BEFORE THE OIL CONSERVATION DIVISION  
NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT**

**PETITION FOR HEARING BEFORE A DIVISION  
EXAMINER REGARDING DIRECTOR’S DECISION ON  
ABATEMENT OF EAST BLINEBRY DRINKING UNIT #037**

**CASE NO:**

**APACHE CORPORATION,**

**Petitioner.**

**PETITION AND APPLICATION FOR HEARING ON APPEAL**

Pursuant to 19.15.30.21 and 19.15.4.8 NMAC, Apache Corporation (“Apache” or “Petitioner”), by and through the undersigned counsel, hereby appeals, petitions, and applies for a hearing on the regular docket on May 14, 2026 before the Oil Conservation Division (“Division” or “OCD”) regarding the determination that Apache Corporation is required to submit an abatement plan pursuant to 19.15.30.11 and Subsection A of 19.15.30.14 NMAC, as stated in the “Notification of Abatement for nDHR1922141227 East Blinebry Drinkard Unit #037, Incident ID# nDRH1922141227,” attached hereto as Exhibit “A”. This Petition and Application is timely, as the Director’s notice of action, Exhibit A, was received on March 12, 2026, and this Petition and Application was filed within 30 days of receipt of the notice, per 19.15.30.21 (C) NMAC. As support for this request, Apache states the following per 19.15.4.8(A) NMAC:

(1) Applicant’s name:

Apache Corporation

(2) Applicant’s attorney’s address:

Dalva L. Moellenberg  
Serafina Seluja  
Gallagher & Kennedy, P.A.

1239 Paseo de Peralta  
Santa Fe, New Mexico 87501

- (3) Name or general description of the common source or sources of supply or the area the order sought affects:

The area the order sought affects is all of the area covered by the notification, actions and determinations made by the Oil Conservation Division as set forth Exhibit "A."

- (4) Briefly, the general nature of the order sought:

Apache Corporation seeks an order setting aside, overturning and nullifying all of the determinations and actions as stated in Exhibit "A," including but not limited to (1) that "groundwater has been impacted by Oil & Gas activity in excess of the standards outlined in 19.15.30.9 NMAC," (2) any determination, implicit or otherwise, that the cited incident is the cause of or is otherwise related to the alleged groundwater impacts and that the determination is a sufficient basis for the actions stated in Exhibit "A," (3) requiring Apache Corporation, pursuant to 19.15.30 NMAC, to submit an abatement plan pursuant to 19.15.30.11 and Subsection A of 19.15.30.14 NMAC, and (4) that Apache Corporation must submit a complete Stage 1 Abatement Plan proposal to OCD Permitting within 60 days of receipt of the letter identified as Exhibit "A."

- (5) A proposed legal notice for publication:

A proposed form of legal notice is attached as Exhibit "B" hereto.

- (6) Any other matter division rules or a division order requires:

To the extent required by 19.15.30.21(C), Apache Corporation states that it objects to all portions of the action stated in Exhibit "A," including the determinations and actions as described in paragraph (4) above.

WHEREFORE, Apache requests that this Petition and Application be set for hearing before an Examiner of the Oil Conservation Division at the regular docket on May 14, 2026.

Respectfully submitted,

GALLAGHER & KENNEDY, P.A.

/s/ Dalva L. Moellenberg  
Dalva L. Moellenberg  
Serafina I. Seluja  
1239 Paseo de Peralta

Santa Fe, NM 87501

[DLM@gknet.com](mailto:DLM@gknet.com)

[Serafina.seluja@gknet.com](mailto:Serafina.seluja@gknet.com)

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing was mailed via USPS to the Director and also sent via e-mail to the following persons on April 10, 2026:

Albert C.S. Chang  
*Director Oil Conservation Division*  
Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505  
[Albert.Chang@emnrd.nm.gov](mailto:Albert.Chang@emnrd.nm.gov)

Rosa Romero  
*Environmental Bureau Chief*  
Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505  
[RosaM.Romero@emnrd.nm.gov](mailto:RosaM.Romero@emnrd.nm.gov)

Jesse Tremaine  
*Legal Director, Oil Conservation Division*  
[JesseK.Tremaine@emnrd.nm.gov](mailto:JesseK.Tremaine@emnrd.nm.gov)

Freya Tschantz  
*Law Clerk – OCD*  
[Freya.Tschantz@emnrd.nm.gov](mailto:Freya.Tschantz@emnrd.nm.gov)  
[OCD.Hearings@emnrd.nm.gov](mailto:OCD.Hearings@emnrd.nm.gov)

By: /s/ Dalva L. Moellenberg  
Dalva L. Moellenberg

# EXHIBIT A

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Michelle Lujan Grisham**  
Governor

**Erin Taylor**  
Acting Cabinet Secretary

**Ben Shelton**  
Deputy Cabinet Secretary

**Albert C.S. Chang**, Director  
Oil Conservation Division



March 12, 2026

Apache Corporation  
303 Veterans Airpark Ln  
Midland, TX 79705

**RE: Notification of Abatement for nDHR1922141227 East Blinebry Drinkard Unit #037, located in Unit letter E, Section 12, Township 21S, R37E**

Dear Mr. Bole:

The New Mexico Oil Conservation Division (OCD) has reviewed Apache Corporation OGRID 873's (Apache) *Field Activity Report* submitted November 11, 2025, under application ID: 528526 for the East Blinebry Drinkard Unit (EBDU) #37, Incident ID# nDHR1922141227.

OCD has determined from the submitted report that groundwater has been impacted by Oil & Gas activity in excess of the standards outlined in 19.15.30.9 NMAC. Pursuant to 19.15.30 NMAC, OCD is requiring Apache to submit an abatement plan pursuant to 19.15.30.11 NMAC and Subsection A of 19.15.30.14 NMAC. Apache must submit a complete Stage 1 Abatement Plan proposal to OCD Permitting within 60 days of receipt of this letter. 19.15.30.13 A. NMAC. Apache may submit stage 1 and stage 2 abatement plan proposals together.

The public may view a copy of the *Field Activity Report* and the conditions online from OCD permitting under Incident ID# nDHR1922141227 at <http://www.emnrd.state.nm.us/ocd/>.

If Apache Corporation has any questions or concerns regarding this letter, please contact Brittany Hall at (505) 517-5333 or [Brittany.Hall@emnrd.nm.gov](mailto:Brittany.Hall@emnrd.nm.gov).

Sincerely,

*Rosa M. Romero*

Rosa Romero  
Environmental Bureau Chief

**EXHIBIT B**

Draft Notice for Publication:

**CASE No.:** \_\_\_\_\_

Application and Petition of Apache Corporation for a Hearing on Appeal to Contest the Division Director's Notice of Action, Lea County, New Mexico. Applicant in the above-styled cause seeks an order setting aside, overturning and nullifying all of the determinations and actions as stated in the Director's Notice of Action including but not limited to (a) that "groundwater has been impacted by Oil & Gas activity in excess of the standards outlined in 19.15.30.9 NMAC," (b) any determination, implicit or otherwise, that the cited incident is the cause of or is otherwise related to the alleged groundwater impacts and that the determination is a sufficient basis for the actions stated in the Exhibit A, (c) requiring Apache Corporation, pursuant to 19.15.30 NMAC, to submit an abatement plan pursuant to 19.15.30.11 and Subsection A of 19.15.30.14 NMAC, and (d) that Apache Corporation must submit a complete Stage 1 Abatement Plan proposal to OCD Permitting within 60 days of receipt of the letter. This cause stems from EBDU No. 37, Incident No. nDRH1922141227, in relation to the East Blinebry Drinkard Unit #037 well, also known as "EBDU #37" ("the Well"), API No. 30-025-06556, a water injection well, located in Section 13, Township 21 South, Range 37 East, in Lea County, New Mexico. Said area is located approximately 3 miles northeast of Eunice, New Mexico. Hearing of the above-styled cause will take place on May 14, 2026, before the Oil Conservation Division. Counsel for Apache Corporation, Dalva Moellenberg and Serafina Seluja, both of GALLAGHER & KENNEDY, PA, can be reached at dlm@gknet.com and serafina.seluja@gknet.com, and at 1239 Paseo de Peralta, Santa Fe, New Mexico, 87501.