

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

**APPLICATION OF EMPIRE NEW MEXICO LLC TO  
REVOKE THE INJECTION AUTHORITY GRANTED  
UNDER ORDER NO. R-3102 FOR THE EME SWD #021  
WELL OPERATED BY RICE OPERATING COMPANY,  
LEA COUNTY, NEW MEXICO**

CASE NO. \_\_\_\_\_

**APPLICATION**

Empire New Mexico LLC (“Empire”) respectfully applies for an order revoking the injection authority granted under Order No. R-3102. In support, Empire states as follows:

1. Rice Operating Company (“Rice”) was the original applicant and operator of the EME SWD #021, API# 30-025-21852, also known as the Eunice-Monument-Eunice SWD #L-21 (“Well”), a produced water disposal well located approximately 1,520 feet from the South line and 440 feet from the West line of Section 21, Township 21 South, Range 36 East, NMPM, in Lea County, NM.

2. Permian Line Service, LLC (“Permian”) is the current operator of record for the Well, following approval of a change of operator on April 16, 2024.

3. The Well is disposing of water within the unitized interval of the Eunice Monument South Unit (“EMSU”), which is operated by Empire.

4. The unitized interval of the EMSU extends from an upper limit described as 100 feet below mean sea level or at the top of the Grayburg formation, whichever is shallower, to the lower limit at the base of the San Andres formation (“EMSU Unitized Interval”). The vertical limits of the EMSU Unitized Interval are the same as the vertical limits of the Eunice Monument Grayburg-San Andres Pool covering the Grayburg and San Andres formations.

5. The Well disposes into the San Andres formation through an open hole injection interval from approximately 4,515 feet to 5,100 feet below surface.

6. Upon information and belief, Permian injects produced water from other formations, which is not compatible with the water in the Grayburg-San Andres formations.

7. Residual oil zones are found within the San Andres, and Empire has the right to recover hydrocarbons therein.

8. Moreover, the salinity levels of water disposal are substantially greater than the salinity levels of water in the EMSU Unitized Interval, including the San Andres formation.

9. Disposal in the Well impairs the ability of Empire to recover hydrocarbons within the EMSU Unitized Interval and thereby adversely affects the correlative rights of Empire and other interest owners in the EMSU, resulting in waste.

10. Revocation of the disposal authority granted by Order No. R-3102 will prevent the waste of recoverable hydrocarbons and protect correlative rights.

WHEREFORE, Empire requests that this case be set for hearing on July 9, 2026, and that, after notice and hearing as required by law, the Division enter an order revoking the injection authority granted under Order No. R-3102.

Respectfully submitted,

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***Application of Empire New Mexico LLC to Revoke the Injection Authority Granted Under Order No. R-3102 for the EME SWD #021 Operated by Rice Operating Company, Lea County, New Mexico.*** Applicant in the above-styled cause seeks an order revoking the injection authority granted by Order No. R-3102, to dispose of produced water in the EME SWD #021, API# 30-025-21852 (“Well”), a produced water disposal well located 1520’ FSL and 440’ FWL (Unit L) of Section 32, Township 21 South, Range 36 East, NMPM, in Lea County, NM, within the EMSU Unitized Interval, which is operated by Applicant. The approved injection zone is within the San Andres formation, an interval that contains hydrocarbons in residual oil zones. The Well is located approximately 7 miles west of Eunice, New Mexico.