

**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 ADMINISTRATIVE ORDER SWD-184 FOR
THE BLINEBRY DRINKARD SWD #018 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 Administrative Order SWD-184. In support, Empire states as follows:

1. Rice Operating Company (“Rice”) is the operator of record for the Blinebry Drinkard SWD #018, API# 30-025-25616, also known as the Blinebry-Drinkard SWD System Well No. N-18 (“Well”), a produced water disposal well located approximately 1,100 feet from the South line and 2,250 feet from the West line of Section 18, Township 22 South, Range 37 East, NMPM, in Lea County, NM.

2. The Well is disposing of water into the unitized interval of the Arrowhead Grayburg Unit (“AGU”), which is operated by Empire.

3. The unitized interval of the AGU extends from -150 feet subsea or the top of the Grayburg formation (if shallower), down to -1500 feet subsea which includes a majority of the San Andres formation (“AGU Unitized Interval”).

4. The Well disposes into the San Andres formation through an open hole injection interval from approximately 3,900 feet to 5,000 feet below surface. The authorized permitted interval is 4,000’ – 5,000’ so the well could be disposing of water above its permitted interval.

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

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

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

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

9. Revocation of the disposal authority granted by Administrative Order SWD-184 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 Administrative Order SWD-184.

Respectfully submitted,

SHAHEEN LAW NM LLC

/s/ Sharon T. Shaheen

Sharon T. Shaheen

422 Medico Lane, Suite A

Santa Fe, NM 87505

(505) 469-1521

sharon@shaheenlaw.com

ec: paralegal@shaheenlaw.com

Dana S. Hardy

Jaclyn M. McLean Timothy B. Rode

Jaime R. Fontaine

HARDY MCLEAN LLC

125 Lincoln Ave., Suite 223 Santa Fe, NM 87505

(505) 230-4410

dhardy@hardymclean.com
jmclean@hardymclean.com
trode@hardymclean.com
jfontaine@hardymclean.com

Corey F. Wehmeyer
SANTOYO WEHMEYER, P.C.
IBC Highway 281 N. Centre Bldg. 12400 San Pedro
Avenue, Suite 300 San Antonio, Texas 78216
(210) 998-4190
cwehmeyer@swenergylaw.com

Attorneys for Empire New Mexico, LLC

Application of Empire New Mexico LLC to Revoke the Injection Authority Granted Under Administrative Order SWD-184 for the Blinebry Drinkard SWD #018 Operated by Rice Operating Company, Lea County, New Mexico. Applicant in the above-styled cause seeks an order revoking the injection authority granted by Administrative Order SWD-184, to dispose of produced water in the Blinebry Drinkard SWD No. 18, API# 30-025-25616 (“Well”), a produced water disposal well located 1,100’ FSL and 2,250’ FWL of Section 18, Township 22 South, Range 37 East, NMPM, in Lea County, NM, within the AGU 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 4 miles southwest of Eunice, New Mexico.