

## Goetze, Phillip, EMNRD

---

**From:** Goetze, Phillip, EMNRD  
**Sent:** Monday, November 19, 2018 3:11 PM  
**To:** 'Sarah Presley'  
**Cc:** Jones, William V, EMNRD; McMillan, Michael, EMNRD; Lowe, Leonard, EMNRD; 'Sharon T. Shaheen'; Podany, Raymond, EMNRD  
**Subject:** Denial of Application to Inject: Onsurez SWD No. 1

RE: Delaware Energy LLC

Application to Inject: Onsurez SWD No. 1 (API 30-015-45357 ) UL M, Sec 28, T23S, R28E, NMPM, Eddy County; Appl. No. pMAM1813450881

The application submitted on behalf of Delaware Energy LLC for approval of the Onsurez SWD No. 1 is being denied. This denial is based on the proximity of the proposed well with existing Devonian SWD wells (approved or active) in this area, specifically the Striker 3 SWD No. 1 (30-015-44407; SWD-1690). The Division has sought to maintain a distance of 1.5 miles (a ¾-mile radius from the well location) between injection sources that are Devonian wells designed for large-volume disposal. This distance is an effort to reduce interference between wells, extend operational life, reduce the potential for induced-seismic event associated with disposal and effectively manage the UIC program to support production while preventing waste and protecting correlative rights as directed under the New Mexico Oil and Gas Act. Therefore, this application is being denied for approval through administrative review, but remains available for hearing. However, should the applicant seek approval of the application through hearing, the Division will appear at hearing to oppose this application using the reasons previously provided. Additionally, the protestant of the application, NGL Water Solutions Permian LLC, will be noticed of this denial, but will have the opportunity to appear in opposition should the application go to hearing.

If you have any questions regarding the content of this correspondence, please contact me (via phone or e-mail) at your convenience. PRG

Phillip Goetze, PG

Engineering Bureau, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
1220 South St. Francis Drive, Santa Fe, NM 87505  
Direct: 505.476.3466  
E-mail: [phillip.goetze@state.nm.us](mailto:phillip.goetze@state.nm.us)





**MONTGOMERY  
& ANDREWS**  
LAW FIRM

**SHARON T. SHAHEEN**  
Direct: (505) 986-2678  
Email: [sshaheen@montand.com](mailto:sshaheen@montand.com)  
[www.montand.com](http://www.montand.com)

October 16, 2018

Heather Riley, Director  
NM Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87501

**HAND-DELIVERED**

*SS0'FSL / 1316'FWL*

**RE: Application for Administrative Approval of Salt Water Disposal Well:  
Delaware Energy, LLC  
Onsurez SWD #1  
Section 28, Township 23 South, Range 28 East, NMPM  
Eddy County, New Mexico  
PMAM1813450881**

Dear Ms. Riley:

This firm represents NGL Water Solutions Permian, LLC ("NGL"). NGL is the operator of the Striker 3 SWD Well No. 1 (SWD-1690) located in unit P of Section 33, Township 23 South, Range 28 East, approximately 1.25 miles± from the proposed Onsurez SWD No. 1. NGL is currently conducting injection operations through its Striker 3 SWD Well No. 1 into the Devonian and Silurian formations through its Striker 3 SWD Well No. 1 at approximately the same stratigraphic equivalent as that proposed to be used by Delaware Energy, LLC.

Please be advised that pursuant to Division Rule 19.15.26.8.D, NGL objects to Delaware Energy, LLC's application. In view of the close proximity of the existing and proposed injection wells, the Director should find that a hearing on the Delaware Energy application is deemed advisable.

Very truly yours,

Sharon T. Shaheen

Kaleb W. Brooks

Attorneys for NGL Water Solutions Permian, LLC

cc (via email): Joe Vargo, NGL Water Solutions Permian, LLC

**REPLY TO:**

325 Paseo de Peralta  
Santa Fe, New Mexico 87501  
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307  
Santa Fe, New Mexico 87504-2307



Pending Application for High-Volume Devonian Disposal Well  
C-108 Application for Onsurez SWD No. 1 – Delaware Energy

