

# Protested SWD Application

By Chevron USA Inc. on 10/31/19

## Lamkin, Baylen, EMNRD

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**From:** Lamkin, Baylen, EMNRD  
**Sent:** Wednesday, November 27, 2019 11:08 AM  
**To:** 'nallemann@all-llc.com'  
**Cc:** Goetze, Phillip, EMNRD; Rose-Coss, Dylan H, EMNRD; 'edebrine@modrall.com'  
**Subject:** Notification of Protest for Application to Inject: Jerrah 3 Fed SWD #2 \_ Chevron USA Inc.  
**Attachments:** Select Energy Services\_Jerrah 3 Fed SWD #2\_Chevron.pdf

RE: Jerrah 3 Fed SWD #2 (API 30-25-Pending; Admin. Appl. No pBL1933035105) Unit K S10 T23S R32E, NMPM, Lea County

Mr. Alleman,

The OCD was notified by Chevron UAS Inc. that they are protesting this application. This party has been identified as an affected person for the location being considered. Because of the protest, the application can no longer be reviewed administratively. You are being notified that for this application to be considered, Select Energy Services, LLC currently has two options; the first is to go to hearing, the second is to negotiate a resolution with the protesting party. If the protest is withdrawn, then the application can be reviewed administratively. In the meantime, the application will be retained pending a hearing or other resolution. Please continue to provide OCD with information regarding the standing of this application and feel free to call me with any questions.

Contact for Chevron USA Inc.:

Earl E. Debrine, Jr.

505.848.1810

Fax: 505.848.9710

edebrine@modrall.com

Regards,

**Baylen Lamkin**

*Petroleum Specialist*

Oil Conservation Division

1220 South St. Francis Drive

Santa Fe, New Mexico 87505

(505) 476-3477





October 31, 2019

**Via E-Mail & U.S. Mail**  
**Phillip.Goetze@state.nm.us**

Earl E. DeBrine, Jr.  
505.848.1810  
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[edebrine@modrall.com](mailto:edebrine@modrall.com)

Phillip Goetze  
Oil Conservation Division, EMNRD  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Re: Administrative Application of Select Energy Services  
Jerrah 3 Fed SWD #2 Class 11D injection well, Unit Letter L  
S1 T24S R31E, NMPM, Eddy County, New Mexico.

Dear Mr. Goetze:

This firm represents Chevron U.S.A. Inc. ("Chevron"), which owns an interest in the Unit Letter L, S1 T24S R31E, NMPM, Eddy County, New Mexico and was not provided complete notice of the above-referenced application, a portion of which was received on September 24, 2019.

Chevron, by and through its counsel, hereby protests the above-referenced Administration Application for Authorization to Inject ("Application") filed by Select Energy Services ("Select"). Select seeks to dispose of up to 30,000 BPD of fluids into the Devonian-Silurian formations between 16,602' and 17,935'.

First, Select did not adequately notify Chevron of its Application. Chevron is an "affected person" under Rule 19.15.2.7(A) and entitled to a complete copy of the Application under Rule 19.15.26.8(B)(2). However, Select failed to provide Chevron a complete copy of its Application, as required. As a result, Select has not complied with Rule 19.15.26.8(B)(2) and did not provide Chevron with sufficient information to completely evaluate the Application.

Second, based on the information it has received, Chevron believes that granting 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 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 NMOC's well proximity policy for SWD

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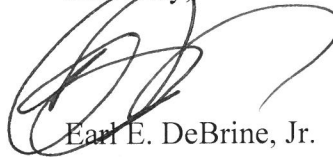
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Phillip Goetze  
Oil Conservation Division, EMNRD  
October 31, 2019  
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wells. Additionally, the Application is insufficient in that it does not demonstrate the training, knowledge or experience of the person who is offering the scientific geologic and engineering opinions contained in the Application and further lacks all of the information required by Division form C-108.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Earl E. DeBrine, Jr.", with a large, stylized loop at the end.

EED/kta/Y:\dox\client\83420\0029\CORRES\W3539650.DOCX

Cc (via U.S. Mail): Dan Arthur  
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