

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



October 25, 2017

Mr. Luke Clausen
Apex Disposal Services LLC
518 17th Street, Suite 650
Denver, CO. 80161

RE: Cancellation of Authority - Administrative Order CA-3
Authority: Administrative Order SWD-1617; Injection Authority under
19.15.26.8E. NMAC
Mobley Ranch SWD Well No. 1 API 30-015-43267
Unit C, Sec 19, T23S, R30E, NMPM, Eddy County, New Mexico

Mr. Clausen:

Reference is made to your request on behalf of Apex Disposal Services LLC (OGRID 370604; "Apex") received by the Division on September 14, 2017, for the above named well. Apex has requested the cancellation of Administrative Order SWD-1617 approved on February 15, 2016.

It is our understanding that Apex has requested cancellation of the order because Apex is exiting the salt water disposal business, and is selling assets. The Division finds that granting this request is in the interest of conservation and will prevent waste and protect the environment. Therefore, the authority issued to Apex under Administrative Order SWD-1617 is cancelled.

Sincerely,

David R. Catanach
Director

DRC/mam

cc: Oil Conservation Division – Artesia Office
Administrative Order SWD-1617
Well File API 30-015-43267

August 31, 2017

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David R. Catanach, Division Director
Oil Conservation Division
State of New Mexico
Energy, Minerals and Natural Resources Department
1220 South St. Francis Dr.
Santa Fe, NM 87505
P: (505)476-3440

Dear Mr. Catanach,

Apex Disposal Services LLC ("Apex") was authorized to utilize its Mobley Ranch SWD Well No. 1 (API 30-015-43267) for disposal of oil field produced water (UIC Class II only) via Administrative order SWD-1617 on February 15, 2016. Apex is exiting the salt water disposal business in New Mexico and is selling its assets to Solaris Midstream DB-NM LLC ("Solaris"). As a result, Apex will no longer require this authorization and would like to terminate the authorization immediately. Solaris will be pursuing their own injection permit application, which we support fully.

Thank you for your assistance in this matter. If you have any questions, please do not hesitate to contact me at (701) 260-3412, or via email at LClausen@dtcenergygroup.com.

Best regards,



Luke Clausen
Apex Disposal Services