

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



November 19, 2020

NGL Water Solutions Permian, LLC (OGRID 372338)
c/o Joseph Vargo

RE: Case No. 16440, Order Number R-20983; Extension of Deadline to Inject
Well: McCloy West SWD Well No. 1 (API 30-025-Pending)
Located: Unit O, Sec 14, T24S, R32E, NMPM, Lea County, New Mexico
Order Date: December 19, 2019
Injection formations: Devonian and Silurian formations; 17350 feet to 18451 feet

Dear Mr. Vargo:

Reference is made to your November 4, 2019 request on behalf of NGL Water Solutions Permian, LLC (the "operator") to extend the deadline stipulated in the above titled order to commence injection for the above referenced well for reasons outlined in your correspondence. The deadline date to commence injection under said order was one year after issuance of the order: December 19, 2019. The request for extension was received by the Division prior to the injection deadline and will therefore be recognized.

It is the Division's understanding from your correspondence that since the date of issuance of this permit, no additional wells that penetrate the approved injection interval were drilled and no new affected parties were identified in the one-mile Area of Review (AOR). Therefore, the extension request could be reviewed administratively for approval.

The Division finds that for reasons you have stated, the granting of this request to extend this administrative order is in the interest of conservation, will prevent waste, and will protect the environment. Therefore, the deadline to commence injection for the existing order is hereby extended until **December 19, 2021**.

All requirements of the above referenced administrative order and agreements in the application remain in full force and effect. Any additional extension of the deadline to commence injection for this administrative order will not be considered unless the operator has already commenced drilling of the referenced well. Otherwise, the injection authority shall expire under the terms of the extended administrative order and the operator shall be required to submit a new application to obtain injection authority for the referenced well.

ADRIENNE SANDOVAL
Director

AS/dhr

cc: Oil Conservation Division - Hobbs District Office
Case No. 16440, Order Number R-20983