State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Dylan M. FugeDeputy Secretary (Acting)

November 13, 2023

Dylan M. Fuge, Division Director **Oil Conservation Division**



Amended Notice of Resumption of Drilling and Completion Activity in Proximity to the Carlsbad Brine Well

Dear Operators:

You are receiving this notice because you are the registered Operator of well(s) affected by temporary restrictions on drilling and completion activities planned within five miles of the Carlsbad Brine Well ("backfilled void"). These include activities at proposed wells encroaching within in 1-mile of the backfilled voided affected by Division Orders R-21888, R-22063, R-21100-B, R-21104-C, and R-21123-C, restricted by Conditions of Approval ("COAs") attached to Applications for Permits to Drill ("APDs") approved after July 2, 2021, and the OCD's first Notice of Resumption of Certain Drilling and Completion Activity in Proximity to the Carlsbad Brine Well. This Notice announces that such activities may resume regardless of their distance to the backfilled void, subject to the conditions detailed below.

Effective January 1, 2024 the Director has determined that drilling and completion activities associated with oil and gas production may resume *within a one-mile radius* of the backfilled void. Wells, or any portion of wells, or any activity, planned within one mile of the backfilled void may resume subject to the Conditions stated below:

- Operator shall provide written notice to OCD at least 14 days prior to the start of any drilling or completion activities occurring within five miles of the backfilled void. The notice shall be filed with OCD.Engineer@state.nm.us.
- Vertical portions of wells may not advance within \(^1/4\)-mile of the backfilled void.
- Lateral portions of wells occurring within 1-mile of the backfilled void may not occur at depths less than 5,000 feet.
- Completion activities (hydraulic fracturing) may not occur simultaneously.
 - OCD may require operators to modify their completion schedules if multiple completions are planned to occur simultaneously based on the written notice required above.
- OCD may require additional safeguards for drilling operations progressing through the shallow Salado Formation.

This Notice is effective immediately. Please contact Jesse Tremaine at <u>JesseK.Tremaine@emnrd.nm.gov</u> or (505) 231-9312 with any questions about this Notice, affected Division Orders, COAs, or individual activities.

Sincerely,

Dylan Fuge

Director