

Chavez, Carl J, EMNRD

From: dseawright@gmail.com
Sent: Saturday, June 20, 2015 4:27 PM
To: Chavez, Carl J, EMNRD; Griswold, Jim, EMNRD
Cc: Charles Lakins
Subject: RE: LDG 15-8 and LDG 76-7 G-101, 102, 104 (preliminary) and 112 (preliminary) Forms
Attachments: AmeriCulture Objection and Application Proposed LDG Wells 15-8, 76-7 and 13-7.pdf

Case 15357

Dear Carl and Jim,

Please find attached AmeriCulture, Inc.'s Notice of Objection to Lightning Dock Geothermal HI-01, LLC's recent G-112 applications for proposed wells 15-8, 76-7 and 13-7.

Out of an overabundance of caution, since we were not certain if an application for hearing was required of us contemporaneously with our notice of objection, the attached letter also includes an application for hearing. Since 10 days still remain within the 20-day waiting period, we have sufficient time to modify the attached should the OCD find any deficiencies. Should you find any deficiencies, please let me know immediately and we will remedy the situation. Specifically, please let us know whether or not triplicate copies of the application must still be delivered to OCD's Santa Fe office.

Please confirm receipt.

Kind Regards,

Damon Seawright
(505)670-5220

From: Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us]
Sent: Wednesday, June 10, 2015 4:47 PM
To: dseawright@gmail.com
Subject: LDG 15-8 and LDG 76-7 G-101, 102, 104 (preliminary) and 112 (preliminary) Forms

Mr. Seawright:

FYI: Per your phone call today and request for a return call from OCD, OCD has received the above applications today.

Carl J. Chavez, CHMM

New Mexico Energy, Minerals & Natural Resources Department
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Drive, Santa Fe, New Mexico 87505
O: (505) 476-3490

E-mail: CarlJ.Chavez@State.NM.US

Web: <http://www.emnrd.state.nm.us/ocd/>

“Why Not Prevent Pollution; Minimize Waste; Reduce the Cost of Operations; & Move Forward With the Rest of the Nation?” To see how, please go to: “Pollution Prevention & Waste Minimization” at <http://www.emnrd.state.nm.us/ocd/environmental.htm#environmental>



June 20, 2015

Mr. Carl Chavez
Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Case 15357

RE: LIGHTNING DOCK GEOTHERMAL HI-01, LLC APPLICATIONS TO PLACE WELL ON INJECTION-GEOTHERMAL RESOURCES AREA, WELL NOS. 15-8, 76-7 AND 13-7 IN HIDALGO COUNTY, NEW MEXICO

Dear Carl:

On June 10, 2015, the Oil Conservation Division (OCD) received two G-112 Application to Place Well on Injection-Geothermal Resources Area forms from Lightning Dock Geothermal HI-01, LLC corresponding to proposed wells 15-8 and 76-7. At a later date, the OCD received an additional G-112 form, dated June 15, 2015, corresponding to a third proposed well 13-7.

AmeriCulture, Inc. is a long-standing geothermal lease holder and user in the vicinity of all three proposed wells and is thus an affected geothermal lease owner. AmeriCulture hereby objects to the aforementioned applications and requests that the Oil Conservation Division deny the permits sought by Lightning Dock Geothermal HI-01 LLC for proposed wells 15-8, 76-7, and 13-7.

Although the G-112 forms corresponding to wells 15-8 and 76-7 were dated June 1, 2015 by the applicant, they were not received by the OCD until June 10, 2015. Thus, the 20-day waiting period set forth in Rule G-103 and listed on form G-112, ends June 30, 2015, ten days from the date of this letter.

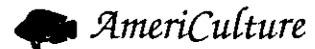
Owing partially to the potential for endangerment of the regional geothermal resource, underground water supplies, and businesses that rely upon the regional geothermal resource, we believe that all three applications should be denied. If the OCD concurred with this position and were to deny all three applications, then there would be no need for AmeriCulture, Inc. to request a corresponding hearing on the matter.

The OCD's Geothermal Rules and Regulations are procedurally ambiguous as to whether an objecting party must also request a hearing according to the application guidelines set forth in Rule G-703. Thus, out of an overabundance of caution, and in conformance with Rule G-703, AmeriCulture, Inc. hereby makes application for hearing by stating (1) Applicant, Lightning Dock Geothermal, HI-01, LLC, (2) Common Source, Lightning Dock Known Geothermal Resource Area, and (3) Order, Rule or Regulation Sought: Denial of G-112 applications corresponding to proposed wells 15-8, 76-7, and 13-7. In the event the OCD were to deny said G-112 applications prior to a hearing, no hearing would be required.

• 25 Tilapia Trail, Animas, NM 88020 • Ph: 505.670.5220 • Fax: 815.301.8809

• e-mail: dseawright@gmail.com • www.americulture.com

June 20, 2015
Mr. Carl Chavez
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Since ten days remain within the 20-day waiting period, sufficient time exists for OCD to provide AmeriCulture, Inc. guidance with respect to the sufficiency of this letter as both a notice of objection to the three aforementioned G-112 applications, and as to its sufficiency as an application for hearing, without further delivery of triplicate copies to the OCD according to the guidance provided in Rule 703. AmeriCulture, Inc. reserves the right to modify or supplement its objection and application within the 20-day waiting period.

Should the OCD determine that a hearing on the matter is appropriate, and that this letter is deficient in any way as an application for hearing, please notify me immediately by telephone or email with further instructions to insure our regulatory compliance.

Sincerely Yours,

A handwritten signature in black ink, appearing to read "Damon E. Seawright", with a long horizontal flourish extending to the right.

Damon E. Seawright
President

This rule was filed as Rule G-703.

TITLE 19 NATURAL RESOURCES AND WILDLIFE
CHAPTER 14 GEOTHERMAL POWER
PART 112 METHOD OF INITIATING A HEARING

19.14.112.1 ISSUING AGENCY: Energy and Minerals Department, Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico.
[Recompiled 12/31/01]

19.14.112.2 SCOPE: [RESERVED]
[Recompiled 12/31/01]

19.14.112.3 STATUTORY AUTHORITY: [RESERVED]
[Recompiled 12/31/01]

19.14.112.4 DURATION: [RESERVED]
[Recompiled 12/31/01]

19.14.112.5 EFFECTIVE DATE: [November 15, 1983]
[Recompiled 12/31/01]

19.14.112.6 OBJECTIVE: [RESERVED]
[Recompiled 12/31/01]

19.14.112.7 DEFINITIONS: [RESERVED]
[Recompiled 12/31/01]

19.14.112.8 METHOD OF INITIATING A HEARING:

A. The division upon its own motion, the attorney general on behalf of the state, and any operator or producer, or any other person having a property interest may institute proceedings for a hearing. If the hearing is sought by the division it shall be on motion of the division and if by any other person it shall be by application. The application shall be in triplicate and shall state:

- (1) the name of the applicant;
- (2) the name or general description of the common source or sources of supply or the area affected by the order sought;
- (3) briefly the general nature of the order, rule or regulation sought; and
- (4) any other matter required by a particular rule or rules, or order of the division.

B. The application shall be signed by the person seeking the hearing or by his attorney.

C. When conditions are such as to require verbal application to place a matter for hearing on a given docket, the division will accept such verbal application in order to meet publishing deadlines. However, if written application, filed in accordance with the procedures outlined above, has not been received by the division's Santa Fe office at least ten days before the date of the hearing, the case will be dismissed.

[Recompiled 12/31/01]

HISTORY OF 19.14.112 NMAC:

Pre-NMAC History: The material in this Part was derived from that previously filed with the State Records Center and Archives:

Rule G-703, Method of Initiating a Hearing, 11/1/83.

History of Repealed Material: [RESERVED]

This rule was filed as Rule G-701.

TITLE 19 NATURAL RESOURCES AND WILDLIFE
CHAPTER 14 GEOTHERMAL POWER
PART 110 NECESSITY FOR HEARING

19.14.110.1 ISSUING AGENCY: Energy and Minerals Department, Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico.
[Recompiled 12/31/01]

19.14.110.2 SCOPE: [RESERVED]
[Recompiled 12/31/01]

19.14.110.3 STATUTORY AUTHORITY: [RESERVED]
[Recompiled 12/31/01]

19.14.110.4 DURATION: [RESERVED]
[Recompiled 12/31/01]

19.14.110.5 EFFECTIVE DATE: [November 15, 1983]
[Recompiled 12/31/01]

19.14.110.6 OBJECTIVE: [RESERVED]
[Recompiled 12/31/01]

19.14.110.7 DEFINITIONS: [RESERVED]
[Recompiled 12/31/01]

19.14.110.8 NECESSITY FOR HEARING: Except as provided in some general rule herein, before any rule, regulation or order, including revocation, changes, renewal or extension thereof, shall be made by the division, a public hearing before the commission or a legally appointed division examiner shall be held at such time and place as may be prescribed by the division.
[Recompiled 12/31/01]

HISTORY OF 19.14.110 NMAC:

Pre-NMAC History: The material in this Part was derived from that previously filed with the State Records Center and Archives:

Rule G-701, Necessity for Hearing, 11/1/83.

History of Repealed Material: [RESERVED]

This rule was filed as Rule G-705.

TITLE 19 NATURAL RESOURCES AND WILDLIFE
CHAPTER 14 GEOTHERMAL POWER
PART 114 CONTENTS OF NOTICE OF HEARING

19.14.114.1 ISSUING AGENCY: Energy and Minerals Department, Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico.
[Recompiled 12/31/01]

19.14.114.2 SCOPE: [RESERVED]
[Recompiled 12/31/01]

19.14.114.3 STATUTORY AUTHORITY: [RESERVED]
[Recompiled 12/31/01]

19.14.114.4 DURATION: [RESERVED]
[Recompiled 12/31/01]

19.14.114.5 EFFECTIVE DATE: [November 15, 1983]
[Recompiled 12/31/01]

19.14.114.6 OBJECTIVE: [RESERVED]
[Recompiled 12/31/01]

19.14.114.7 DEFINITIONS: [RESERVED]
[Recompiled 12/31/01]

19.14.114.8 CONTENTS OF NOTICE OF HEARING:

A. Such notice shall be issued in the name of "the state of New Mexico" and shall be signed by the director of the division, and the seal of the commission shall be impressed thereon.

B. The notice shall specify whether the case is set for hearing before the commission or before a division examiner and shall state the number and style of the case and the time and place of hearing and shall briefly state the general nature of the order or orders, rule or rules, regulation or regulations to be promulgated or effected. The notice shall also state the name of the petitioner or applicant, if any, and unless the contemplated order, rule or regulation is intended to apply to and affect the entire state, it shall specify or generally describe the common source or sources of supply which may be affected by such order, rule or regulation.

[Recompiled 12/31/01]

HISTORY OF 19.14.114 NMAC:

Pre-NMAC History: The material in this Part was derived from that previously filed with the State Records Center and Archives:

Rule G-705, Contents of Notice of Hearing, 11/1/83.

History of Repealed Material: [RESERVED]

This rule was filed as Rule G-710.

TITLE 19 NATURAL RESOURCES AND WILDLIFE
CHAPTER 14 GEOTHERMAL POWER
PART 119 CONDUCT OF HEARINGS

19.14.119.1 ISSUING AGENCY: Energy and Minerals Department, Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico.
[Recompiled 12/31/01]

19.14.119.2 SCOPE: [RESERVED]
[Recompiled 12/31/01]

19.14.119.3 STATUTORY AUTHORITY: [RESERVED]
[Recompiled 12/31/01]

19.14.119.4 DURATION: [RESERVED]
[Recompiled 12/31/01]

19.14.119.5 EFFECTIVE DATE: [November 15, 1983]
[Recompiled 12/31/01]

19.14.119.6 OBJECTIVE: [RESERVED]
[Recompiled 12/31/01]

19.14.119.7 DEFINITIONS: [RESERVED]
[Recompiled 12/31/01]

19.14.119.8 CONDUCT OF HEARINGS: Hearings before the commission or any examiner shall be conducted without rigid formality. A transcript of testimony shall be taken and preserved as a part of the permanent record of the division. Any person testifying in response to a subpoena issued by the commission or any member thereof, or the authorized representative of the division director, and any person seeking to testify in support of an application or motion or in opposition thereto shall be required to do so under oath. However, relevant unsworn comments and observations by any interested party will be designated as such and included in the record. Comments and observations by representatives of operators' committees, the United States geological survey, the United States bureau of mines, the New Mexico bureau of mines, and other competent persons are welcomed. Any examiner legally appointed by the division director may conduct such hearings as may be referred to such examiner by the director.
[Recompiled 12/31/01]

HISTORY OF 19.14.119 NMAC

Pre-NMAC History: The material in this Part was derived from that previously filed with the State Records Center and Archives:

Rule G-710, Conduct of Hearings, 11/1/83.

History of Repealed Material: [RESERVED]

This rule was filed as Rule G-716.

TITLE 19 NATURAL RESOURCES AND WILDLIFE
CHAPTER 14 GEOTHERMAL POWER
PART 125 HEARINGS WHICH MUST BE HELD BEFORE COMMISSION

19.14.125.1 ISSUING AGENCY: Energy and Minerals Department, Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico.
[Recompiled 12/31/01]

19.14.125.2 SCOPE: [RESERVED]
[Recompiled 12/31/01]

19.14.125.3 STATUTORY AUTHORITY: [RESERVED]
[Recompiled 12/31/01]

19.14.125.4 DURATION: [RESERVED]
[Recompiled 12/31/01]

19.14.125.5 EFFECTIVE DATE: [November 15, 1983]
[Recompiled 12/31/01]

19.14.125.6 OBJECTIVE: [RESERVED]
[Recompiled 12/31/01]

19.14.125.7 DEFINITIONS: [RESERVED]
[Recompiled 12/31/01]

19.14.125.8 HEARINGS WHICH MUST BE HELD BEFORE COMMISSION: Notwithstanding any other provisions, of these rules, the hearing on any matter shall be held before the commission (1) if it is a hearing de novo, or (2) if the division director in his discretion desires the commission to hear the matter.
[Recompiled 12/31/01]

HISTORY OF 19.14.125 NMAC:

Pre-NMAC History: The material in this Part was derived from that previously filed with the State Records Center and Archives:

Rule G-716, Hearings Which Must Be Held Before Commission, 11/1/83.

History of Repealed Material: [RESERVED]

This rule was filed as Rule G-717.

TITLE 19 NATURAL RESOURCES AND WILDLIFE
CHAPTER 14 GEOTHERMAL POWER
PART 126 EXAMINER'S MANNER OF CONDUCTING HEARING

19.14.126.1 ISSUING AGENCY: Energy and Minerals Department, Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico.
[Recompiled 12/31/01]

19.14.126.2 SCOPE: [RESERVED]
[Recompiled 12/31/01]

19.14.126.3 STATUTORY AUTHORITY: [RESERVED]
[Recompiled 12/31/01]

19.14.126.4 DURATION: [RESERVED]
[Recompiled 12/31/01]

19.14.126.5 EFFECTIVE DATE: [November 15, 1983]
[Recompiled 12/31/01]

19.14.126.6 OBJECTIVE: [RESERVED]
[Recompiled 12/31/01]

19.14.126.7 DEFINITIONS: [RESERVED]
[Recompiled 12/31/01]

19.14.126.8 EXAMINER'S MANNER OF CONDUCTING HEARING: An examiner conducting a hearing under these rules shall conduct himself as a disinterested umpire.
[Recompiled 12/31/01]

HISTORY OF 19.14.126 NMAC:

Pre-NMAC History: The material in this Part was derived from that previously filed with the State Records Center and Archives:

Rule G-717, Examiner's Manner of Conducting Hearing, 11/1/83.

History of Repealed Material: [RESERVED]

This rule was filed as Rule G-718.

TITLE 19 NATURAL RESOURCES AND WILDLIFE
CHAPTER 14 GEOTHERMAL POWER
PART 127 REPORT AND RECOMMENDATIONS, EXAMINER'S HEARINGS

19.14.127.1 ISSUING AGENCY: Energy and Minerals Department, Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico.
[Recompiled 12/31/01]

19.14.127.2 SCOPE: [RESERVED]
[Recompiled 12/31/01]

19.14.127.3 STATUTORY AUTHORITY: [RESERVED]
[Recompiled 12/31/01]

19.14.127.4 DURATION: [RESERVED]
[Recompiled 12/31/01]

19.14.127.5 EFFECTIVE DATE: [November 15, 1983]
[Recompiled 12/31/01]

19.14.127.6 OBJECTIVE: [RESERVED]
[Recompiled 12/31/01]

19.14.127.7 DEFINITIONS: [RESERVED]
[Recompiled 12/31/01]

19.14.127.8 REPORT AND RECOMMENDATIONS, EXAMINER'S HEARINGS: Upon the conclusion of any hearing before an examiner, the examiner shall promptly consider the proceedings in such hearing, and based upon the record of such hearing the examiner shall prepare his written report and recommendations for the disposition of the matter of proceeding by the division. Such report and recommendation shall either be accompanied by a proposed order or shall be in the form of a proposed order, and shall be submitted to the division director with the certified record of the hearing.
[Recompiled 12/31/01]

HISTORY OF 19.14.127 NMAC:

Pre-NMAC History: The material in this Part was derived from that previously filed with the State Records Center and Archives:

Rule G-718, Report and Recommendations, Examiner's Hearings, 11/1/83.

History of Repealed Material: [RESERVED]

This rule was filed as Rule G-720.

TITLE 19 NATURAL RESOURCES AND WILDLIFE
CHAPTER 14 GEOTHERMAL POWER
PART 129 DE NOVO HEARING BEFORE COMMISSION

19.14.129.1 ISSUING AGENCY: Energy and Minerals Department, Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico.
[Recompiled 12/31/01]

19.14.129.2 SCOPE: [RESERVED]
[Recompiled 12/31/01]

19.14.129.3 STATUTORY AUTHORITY: [RESERVED]
[Recompiled 12/31/01]

19.14.129.4 DURATION: [RESERVED]
[Recompiled 12/31/01]

19.14.129.5 EFFECTIVE DATE: [November 15, 1983]
[Recompiled 12/31/01]

19.14.129.6 OBJECTIVE: [RESERVED]
[Recompiled 12/31/01]

19.14.129.7 DEFINITIONS: [RESERVED]
[Recompiled 12/31/01]

19.14.129.8 DE NOVO HEARING BEFORE COMMISSION: When any order has been entered by the division pursuant to any hearing held by an examiner, any party adversely affected by such order shall have the right to have such matter or proceeding heard de novo before the commission, provided that within 30 days from the date such order is rendered such party files with the division a written application for such hearing before the commission. If such application is filed, the matter or proceeding shall be set for hearing before the commission at the first available hearing date following the expiration of fifteen days from the date such application is filed with the division. Any person affected by the order or decision rendered by the commission after hearing before the commission may apply for rehearing pursuant to and in accordance with the provisions of Rule G-722 [now 19.14.131 NMAC], and said Rule G-722 [now 19.14.131 NMAC] together with the law applicable to rehearing and appeals in matters and proceedings before the commission shall thereafter apply to such matter or proceeding.
[Recompiled 12/31/01]

HISTORY OF 19.14.129 NMAC:

Pre-NMAC History: The material in this Part was derived from that previously filed with the State Records Center and Archives:

Rule G-720, De Novo Hearing Before Commission, 11/1/83.

History of Repealed Material: [RESERVED]

This rule was filed as Rule G-722.

TITLE 19 NATURAL RESOURCES AND WILDLIFE
CHAPTER 14 GEOTHERMAL POWER
PART 131 REHEARINGS

19.14.131.1 ISSUING AGENCY: Energy and Minerals Department, Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico.
[Recompiled 12/31/01]

19.14.131.2 SCOPE: [RESERVED]
[Recompiled 12/31/01]

19.14.131.3 STATUTORY AUTHORITY: [RESERVED]
[Recompiled 12/31/01]

19.14.131.4 DURATION: [RESERVED]
[Recompiled 12/31/01]

19.14.131.5 EFFECTIVE DATE: [November 15, 1983]
[Recompiled 12/31/01]

19.14.131.6 OBJECTIVE: [RESERVED]
[Recompiled 12/31/01]

19.14.131.7 DEFINITIONS: [RESERVED]
[Recompiled 12/31/01]

19.14.131.8 REHEARINGS: Within 20 days after entry of any order or decision of the commission any person affected thereby may file with the division an application for rehearing in respect of any matter determined by such order or decision, setting forth the respect in which such order or decision is believed to be erroneous. The commission shall grant or refuse any such application in whole or in part within 10 days after the same is filed and failure to act thereon within such period shall be deemed a refusal thereof and a final disposition of such application. In the event the rehearing is granted, the commission may enter such new order or decision after rehearing as may be required under the circumstances.
[Recompiled 12/31/01]

HISTORY OF 19.14.131 NMAC:

Pre-NMAC History: The material in this Part was derived from that previously filed with the State Records Center and Archives:

Rule G-722, Rehearings, 11/1/83.

History of Repealed Material: [RESERVED]