

From: Bratcher, Mike, EMNRD
To: [Paul Ragsdale](#)
Cc: "Randall Hicks"; mike@rthicksconsult.com
Subject: RE: Strata - Sandy Federal 4H - PERMIT AND VARIANCE REQUEST WAS TRANSMITTED TO OCD 60 DAYS AGO
Date: Monday, September 22, 2014 4:21:00 PM

Mr. Ragsdale,

Your request for a variance from 19.15.17.16 A. and 19.15.17.16 B. [NMAC] is approved for a 30 day extension of the review period, for the following pit permits in Eddy County, NM:

Strata Production * Roadrunner Fed 3H * 30-015-42114 * H-23-23s-30e * NMOCD Permit Number 2-13-0019

Strata Production * Sandy Fed 4H * 30-015-41042 * L-24-23s-30e * NMOCD Permit Number 2-13-0020

This variance request will expire on October 23, 2014.

If you have any questions or concerns, please contact me.

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NMOCD District 2
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From: Randall Hicks [<mailto:r@rthicksconsult.com>]
Sent: Monday, September 22, 2014 12:01 PM
To: Bratcher, Mike, EMNRD
Cc: Paul Ragsdale; mike@rthicksconsult.com
Subject: RE: Strata - Sandy Federal 4H - PERMIT AND VARIANCE REQUEST WAS TRANSMITTED TO OCD 60 DAYS AGO

Mike

Do I need to get Santa Fe OCD to approve the variance to allow OCD extra time to review the two outstanding Strata C-144s?

Santa Fe and Hobbs count the days of review with Day 0 = Email transmission date. So if District 2 follows suit, the permit will be in auto denial tomorrow.

Randall Hicks
RT Hicks Consultants
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Cell: 505-238-9515

From: Randall Hicks [<mailto:r@rthicksconsult.com>]
Sent: Tuesday, September 16, 2014 4:51 PM
To: 'Bratcher, Mike, EMNRD'
Cc: Paul Ragsdale (pragsdale@stratanm.com); mike@rthicksconsult.com
Subject: RE: Strata - Sandy Federal 4H - PERMIT AND VARIANCE REQUEST WAS TRANSMITTED TO
OCD 55 DAYS AGO

Mike

Both Paul and I promised Scott Dawson that we would not create a deadline hardship for a pit permit. I want to be sure that we all can follow through.

The permit was transmitted to OCD via email on July 23 with the variance request (see below). September 21 is 60 days from the transmission of the variance request. After 60 days, if OCD does not approve the variance (or the application) early next week, then the application goes into the automatic denial. If there is anything we need to get you for the variance approval or the application approval, let me know

Strata will start construction of the Sandy Federal location at the end of October –so October 15 is a hard deadline for us. The Roadrunner 3&4 will be drilled at in early 2015, but obviously we would like to build the pit at the same time as Sandy Federal to save mobilization costs. That pit permit was transmitted via email to OCD on July 23 – but the variance requested an approval date before November 15. So for this second permit, please do what you can.

Thanks.

Statement Explaining Why the Applicant Seeks a Variance

The prescriptive mandates of the Rule that are the subject of this variance request are the following subsections of 19.15.17.16 [emphasis added]:

B. Whether or not the division deems an application to be administratively complete within the 30 day evaluation period, the division shall also have an additional 30 days to approve, deny or approve with conditions an application. If the division does not take action within the 60 days review period, then the application is deemed denied and the operator may file an application for hearing with the division clerk.

It is our understanding that the intent of this mandate of the Pit Rule is to limit the time of review of a permit application. In general, limiting the review time is good for all. Because the earliest this well will be spud is early-mid December 2014, we ask that OCD approve or deny this permit no later than October 15, 2014.

Demonstration That the Variance Will Provide Equal or Better Protection of Fresh Water, Public Health and the Environment

Providing OCD more time to review this permit will allow staff to focus on some immediate issues that might pose a greater threat to Fresh Water, Public Health and the Environment than the review of a permit that need not be approved or denied until October 15, 2014.

Randall Hicks
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From: Randall Hicks [<mailto:r@rthicksconsult.com>]
Sent: Wednesday, July 23, 2014 12:10 PM
To: 'Bratcher, Mike, EMNRD'
Cc: Paul Ragsdale (pragsdale@stratanm.com); 'Rice, Jesse' (jrice@blm.gov); mike@rthicksconsult.com
Subject: Strata - Sandy Federal 4H

Mike

Here is a re-submission of the above referenced C-144. Within a week or so, BLM should issue a new set of COAs for this well that will allow the use of reserve pits.

As suggested in the variance request attached to this application, there is NOT a big hurry for OCD to review this application.

Expect another transmission for the Roadrunner 3&4 pit and both will be transmitted via mail or hand delivery today or tomorrow.

Thanks- as always.

Randall Hicks
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