State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Secretary

Adrienne Sandoval, Division Director Oil Conservation Division



BY ELECTRONIC MAIL ONLY

Patrick B. McMahon. Heidel, Samberson, Cox & McMahon, LLC 311 North First, P.O. Drawer 1599 Lovington, NM 88260

Re: Requests for Extension to Commence Injection

Administrative Order SWD-1707 Athena 28 SWD Well No. 1 [30-025-45324]

Dear Mr. McMahon:

The Oil Conservation Division ("OCD") has reviewed your November 22, 2021, request to extend the deadline in the referenced order to commence injection into referenced well. The request, which was received prior to the deadline, states the reasons for granting an extension, that no additional wells penetrating the approved injection interval have been drilled within the Area of Review since the referenced order was granted, and that additional affected parties in the AOR, if any, were notified of your extension request and did not protest the extension. Accordingly, OCD reviews your request administratively.

On December 18, 2020, OCD adopted a new form of order granting injection authority for UIC wells to ensure the prevention of waste and the protection of correlative rights, public health, and the environment as required by the Oil and Gas Act and OCD's delegation of authority from the U.S. Environmental Protection Agency. A copy of the new form of order is attached for your review. OCD will issue this form of order for any new applications to inject and requests to extend the deadline to commence injection under existing orders. Please advise whether you concur in the granting of injection authority using the new form of order as set forth below.

If you have any questions about this letter, please contact the OCD Engineering Bureau at, OCD.engineer@state.nm.us.

Date: 11/14/2022



AES/dhr

cc: OCD Engineering Bureau

CONSENT TO ISSUANCE OF PERMIT USING NEW TEMPLATE AND WAIVER OF RIGHT OF APPEAL

Permian TDS, LLC, having reviewed the new form of order for injection authority for UIC wells, consents to issuance of an order based thereon, and waives its right of appeal of such order or any condition in such order to any forum or tribunal. Permian TDS, LLC understands that OCD may determine that additional conditions are necessary and appropriate to prevent waste and protect correlative rights, public health, and the environment, and retains its right of appeal with respect to such additional conditions Permian TDS, LLC further warrants that the undersigned person is authorized to execute this Consent and Waiver on its behalf.

Patrick B. McMahon Regulatory Manager

Permian TDS, LLC PO Box 788 Lovington, NM 88260

November 19, 2021

NMOCD Director Ms. Adrianne Sandoval 1220 South St. Francis Drive Santa Fe, NM 87505

Re: Request for Additional Extension

Administrative Order SWD-1707; Extension of Deadline to Inject

Well: Athena 28 SWD Well No. 1 (API 30-025-45324)

Located: Unit E, Sec 28, T20S, R34E, MPM, Lea County, New Mexico

Order Date: November 27, 2017

Injection formations: Devonian and Silurian formations; 14,500 ft to 16250 ft

Dear Ms. Sandoval:

Permian TDS, LLC hereby requests additional approval and extension to drill and complete the Athena 28 SWD #1.

Permian TDS has an approved extension, given by OCD, which expires November 27, 2021. Due to Covid, trucking and purchase of pipe and tubulars, plus a very short supply of labor for drilling operators, we have been unable to secure what is necessary to drill and complete this well. We are told things are looking up for early next year, and will by put on a list. Our location and road to this well has been built and ready to drill, but due to the unforeseen circumstances of today's economy, we will not make the deadline for completion.

Permian TDS hopes and prays the OCD will consider our request.

Attached is a letter from the consultant confirming that AOR does not include any new wells or operators from the original application.

Should you have any questions or need additional information, please advise.

Thank you for your consideration of this request.

Permian TDS, LLC

By: SABMML

Patrick B. McMahon, Agent

Cc: NMOCD Dylan Rose-Coss T over V Ranch, LLC

EDDIE SEAY CONSULTING

November 18, 2021

Heidel, Samberson, Cox & McMahon ATTN: Patrick McMahon P.O. Drawer 1599 311 North First Lovington, NM 88260

RE: Permian TDS (SWD 1707)
Athena 28 SWD #1 (API 30-025-45324)
AOR for Extension Request

Mr. McMahon:

At your request, an update to the (AOR) of November 2020 was conducted.

The review consisted of new operators, wells drilled that penetrated the injection zone, and affected parties since the original application approval. The area reviewed is a one mile radius which consisted of portions of Sections 20, 21, 28 and 29 of Township 20 S., Range 34 E., Lea Co.

AOR UPDATE

1) There has been no new wells drilled that penetrate the proposed injection zone.

2) There are no new operators or affected parties in the AOR since the original application.

Should you have any questions or need additional information, please let me know.

Sincerely,

Eddie W. Seay

Eddie Seay Consulting

601 W. Illinois

Hobbs, NM 88242

575-392-2236

seay04@leaco.net

cc: NMOCD Dylan Rose-Coss, Petroleum Specialist