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CHIEF FORE CARE

August 5, 2015

## Hand Delivered

Florene Davidson, Secretary New Mexico Oil Conservation Commission 1220 S. St. Francis Drive Santa Fe, NM 87505

15193

Re: NMOCD Case No. 45358 (Re-Opened): Application of Frontier Field Services,

LLC for Authorization to Inject Lea County, New Mexico

Dear Ms. Davidson:

Enclosed for filing are the original and six copies of the Application in the above matter. Please have this matter set for hearing for the Commission's September 10, 2015 meeting. Also enclosed is a proposed advertisement.

Thank you.

Very truly yours,

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J. Scott Hall

JSH:js Encls.

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## STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION OF FRONTIER FIELD SERVICES, LLC FOR AUTHORIZATION TO INJECT, LEA COUNTY, NEW MEXICO

CASE NO. 15193 (Re-Opened)

## **APPLICATION**

Frontier Field Services, LLC, ("Applicant" or "Frontier"), by its undersigned attorneys, Montgomery and Andrews, P.A., (J. Scott Hall) hereby makes application pursuant to, *inter-alia*, NMSA 1978, § 70-2-12 (B)(22) (2004) and Division Rule 19.15.26.8 NMAC for an amendment to Order Nos. R-13443-A and R-13443-B to provide for an increase of the maximum rate of injection of treated acid gas and plant wastewater into the Wolfcamp formation through two previously approved AGI wells located near Applicant's Maljamar Processing Plant. In support, of its Application, Frontier states:

1. Applicant is the operator of the following wells in Lea County, New Mexico:

Maljamar AGI Well No. 1 API No. 30-025-40420 130' FSL and 1,830' FEL Section 21 T-17-S, R-32-E, NMPM

Maljamar AGI Well No. 2
API No. 30-025-42628
400' FSL and 2,100' FEL (Surface)
350' FSL and 650' FWL (Bottom Hole)
Section 21
T-17-S, R-32-E, NMPM

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- 2. Injection into the Maljamar AGI Well No. 1 was approved by Commission Order No. R-13443-A. Order No. 14331, Case No. 14464, Application of Frontier Field Services for Approval of an Acid Gas Disposal Well, Order ¶ 1 (March 19, 2013). The well has been drilled and completed and injection operations have commenced. Injection into the Maljamar AGI Well No. 2 was approved by Commission Order R-13443-B. Order No. 14331-B, Case No. 15193, Application of Frontier Field Services for Authorization to Inject, Order ¶ 1 (November 19, 2014). The well has not yet been drilled. Injection into the Wolfcamp formation at depths of approximately 9,600-10,220 feet subsurface is authorized.
- 3. Order No. R-13443-B provided for a maximum daily injection rate of 2 MMSCFD through either well or both wells combined. Order No. 14331-B, Order ¶¶1, 2 (November 19, 2014). Frontier seeks to increase the maximum daily injection rate to 3.5 MMSCFD.
- 4. Concentrations of H2S and CO2 in plant inlet gas have increased since the commencement of injection operations, requiring the addition and modification of AGI compression facilities. These circumstances, along with the anticipated consolidation of processing plants in southeast New Mexico will result in an increase in treated acid gas production of up to 3.5 MMSCFD. With the increased injection rate, Frontier expects to be able to treat the full volumes of gas delivered by producers while avoiding curtailments of processing services from capacity constraints.
- 5. Applicant's injection operations at the increased rate can be conducted in a safe and responsible manner without causing waste, impairing correlative rights or endangering fresh water, public health or the environment.

6. In addition to approving the increased injection rate, Applicant requests the Commission authorize the Division to review and approve further modifications to Applicant's injection authorization either administratively or by hearing for such matters as are presently provided for injection operations under 19.15.26.1 NMAC, *et seq.* and by the Division's current procedures.

WHEREFORE Applicant requests that this matter be set for hearing before the Oil Conservation Commission on September 10, 2015 and that after notice and hearing as required by law, the Commission enter its order approving the increased injection rate indicated, authorizing the Division to further modify Applicant's injection authorization as may be warranted, and making such other and further provisions as the Commission determines appropriate.

MONTGOMERY & ANDREWS, P.A.

By:\_

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## **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on the 5th day of August, 2015 the foregoing was sent electronically to the following counsel of record:

Gabriel Wade, Esq. New Mexico Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, New Mexico 87505 (505) 476-3451

Gabriel.wade@state.nm.us

By:

J. Scott Hall, Esq.

<u>Case No. 15358</u> (Re-Opened): Application of Frontier Field Services for Authorization to Inject, Lea County, New Mexico. Applicant seeks an amendment to Order Nos. R-13443-A and R-13443-B to provide for an increase of the maximum rate of injection of treated acid gas and plant wastewater into the Wolfcamp formation through two previously approved AGI wells located near Applicant's Maljamar Processing Plant:

Maljamar AGI Well No. 1 API No. 30-025-40420 130' FSL and 1,830' FEL Section 21 T-17-S, R-32-E, NMPM

Maljamar AGI Well No. 2
API No. 30-025-42628
400' FSL and 2,100' FEL (Surface)
350' FSL and 650' FWL (Bottom Hole)
Section 21
T-17-S, R-32-E, NMPM

Applicant proposes to increase the rate of injection through the wells to 3.5 MMSCFD. Applicant also requests the Commission to authorize the Division to review and approve further modifications to Applicant's injection authorization either administratively or by hearing for such matters as are presently provided for injection operations under 19.15.16.1 NMAC, et seq. and by the Division's current procedures. The wells and lands are located approximately ½ mile south of Maljamar, New Mexico.

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