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

APPLICATION OF DELAWARE ENERGY, LLC FOR APPROVAL OF A SALT WATER DISPOSAL WELL, EDDY COUNTY, NEW MEXICO.

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Case No.: 16375

APPLICATION

Delaware Energy, LLC ("Delaware") by and through its undersigned attorneys, applies for an order approving a salt water disposal well. In support of this application, Delaware states:

Delaware Energy, LLC (OGRID 371195) intends to drill the Ensico Federal SWD No.
1 at a surface location 1095 feet from the North line, 2090 feet from the West line (Unit B) in Section
35, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, for the purpose of operating a salt water disposal well.

2. Delaware seeks authority to inject salt water into the Devonian formation at a depth of 12,750-13,750 feet by an open hole system.

3. Delaware anticipates an average disposal rate of 5,000-10,000 BWPD with a maximum daily disposal rate of 17,500 BWPD.

4. Delaware anticipates using an average pressure of 400-1,000 psi with a maximum psi of 2,550.

5. Delaware previously submitted a fully complete C-108 as an administrative application. Delaware receive a protest and accordingly requests that this be set for hearing.

6. The granting of this application will prevent waste and protect correlative rights.

WHEREFORE, Delaware Energy, LLC requests that the Division set this matter for hearing before an Examiner of the Oil Conservation Division on August 23, 2018, and that after notice and hearing the Division enter an order approving this proposed injection well.

Respectfully submitted,

HOLLAND & HART LLP

By:

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ATTORNEYS FOR DELAWARE ENERGY, LLC

Case No.: <u>16375</u> Application of Delaware Energy, LLC for approval of a salt water disposal well, Eddy County, New Mexico. Applicant seeks an order authorizing injection for purposes of salt water disposal in the proposed Ensico Federal SWD No. 1 at a surface location 1095 feet from the North line, 2090 feet from the West line (Unit B) in Section 35, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico. The target injection interval is the Devonian formation at a depth of 12,750-13,750 feet. The average disposal rate will be 5,000-10,000 BWPD with a maximum daily disposal rate of 17,500 BWPD. The average pressure will be 400-1,000 psi with a maximum psi of 2,550. Said well is located approximately 4.3 miles northeast of Carlsbad, New Mexico.

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