

Stephanie Garcia Richard COMMISSIONER

State of New Mexico Commissioner of Public Lands

COMMISSIONER'S OFFICE Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE. NEW MEXICO 87504-1148

September 20, 2019

Via Certified Mail -7018.0360,0000,2188.1883 Permian Water Solutions, LLC 600 Travis, Suite 4700 Houston, TX 77002

Attn: James Corbitt

Re: 30 day notice of non-renewal of SWD-100, Dorstate SWD #1, 30-015-23728

Dear Mr. Corbitt,

Salt Water Disposal Easement No.SW-100, an easement to inject saltwater into the Dorstate SWD No. 1, expired on August 5, 2017. The State Land Office (SLO) has reviewed your renewal application and hereby provides Permian Water Solutions, LLC (Permian) notice of denial of the renewal. Numerous produced water spills at the site requiring remediation have not yet been addressed and the well is out of compliance with state regulations. In addition, Oil Conservation Division records indicate that the well is injecting at pressures in excess of the permitted amount. Please be advised that Permian must immediately cease and desist injection of saltwater into the above-referenced well.

Easement No. SW-100 will be considered terminated and your authority to access the site denied as of September 20, 2019. Permian will have 30-days from the date of this letter to contact the SLO regarding closure and full remediation of the site.

The SLO has communicated with your company, or its representatives, numerous times in attempts to resolve the remediation requirements without sufficient action to resolve them. If these issues are not fully resolved by October 20, 2019, this matter will be referred to our Office of General Counsel for further action. Also, any bonds attributable to this easement will be forfeited.

If you have any questions or concerns, please Faith Crosby at 505-827-5849 or fcrosby@slo.state.nm.us.

Sincerely,

Jordan Kessler

Assistant Director, Minerals Division

Cc: Oil Conservation Division, District 2

fc

From: <u>Crosby, Faith</u>

To: Bratcher, Mike, EMNRD

Cc: Mann, Ryan; Kessler, Jordan; Naranio, Mark; Holm, Anchor E.; McMillan, Michael A.

Subject: [EXT] NM SLO Permian Water Solutions SWD well Dorstate SWD #1. SW-100

Date: Monday, September 23, 2019 2:31:00 PM

Attachments: image001.png image005.png

SW-100_30-DavNotice2019.pdf

Good afternoon Mike

Attached please find a 30-Day Notice to Permian Water Solutions regarding termination of their State Land Office easement SW-100 for the Dorstate #1 injection well, 30-015-23728, H,27-25S-28E. Land Office review shows this well is out of compliance and is not reporting wellhead injection pressures. Please add this correspondence to the file.

Best regards, Faith

Faith Crosby

Water Bureau Manager

Oil, Gas and Minerals Division

505.827.5849

New Mexico State Land Office
310 Old Santa Fe Trail

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