

**STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION**

**PRELIMINARY AGENDA AND DOCKET
REGULAR MEETING**

January 16, 2020

9:00 a.m.

Wendell Chino Building

Porter Hall

1220 S. St. Francis Drive

Santa Fe, New Mexico 87505

The Commission may conduct a closed executive session during which it will deliberate in connection with an administrative adjudicatory proceeding pending before the Commission or consult with the Commission counsel under the client-attorney privilege concerning threatened or pending litigation in which the Commission is or may become a participant.

The following items are for discussion and possible action:

1. Roll Call.
2. Approve the Agenda.
3. Approve minutes of the January 2, 2020 Special Commission Meeting.
4. **Case No. 20779:** *(Continued from the November 6, 2019 Commission Meeting.)*
Application of Lucid Energy Delaware, LLC for authority to inject, Lea County, New Mexico. Lucid Energy Delaware, LLC (Lucid) requests an order from the New Mexico Oil Conservation Commission (NMOCC) authorizing it to inject acid gas and carbon dioxide (CO₂) from the Lucid Gas Processing Plant (the "Plant") into its proposed AGI#2 well. This well will be located on Lucid's operating Plant in Lea County, New Mexico. The proposed AGI well will be located in Section 13, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico. Lucid plans to inject up to 13 million standard cubic feet per day (MMSCFD) of treated acid gas from the Plant at a maximum pressure of 4,838 psig into this well in the Devonian through Fusselman Formations, approximately 16,000 to 17,600 feet below the surface. The proposed well will serve as a disposal well for acid gas and CO₂ from the Plant.
5. **Case No. 20556 (De Novo):** ***Application of Goodnight Midstream Permian, LLC for Approval of a Salt Water Disposal Well, Lea County, New Mexico.*** Applicant in the above-styled cause seeks an order authorizing it to drill and operate an injection well for purposes of disposing produced salt water to be named the **Robinson SWD No. 1 Well** (API No. pending), which will be located 1,868 feet from the north line and 1,564 feet from the west line (Unit F), Section 4, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. Injection will be into the Glorieta formation (SWD; Glorieta, Pool Code 91606) between 5,750 feet and 6,500 feet below the ground through an open-hole completion. Disposal fluid will be produced water from producing oil and gas wells in the area. Estimated average injection pressure is expected to be approximately 575 psi. The

maximum injection pressure will be 1,150 psi. The subject well will be located approximately 8 miles northwest of Eunice, N.M. Upon the application of the New Mexico State Land Office, this case will be heard De Novo pursuant to the provisions of Division Rule 19.15.4.23 NMAC.

6. **Case No. 20557 (De Novo): Application of Goodnight Midstream Permian, LLC for Approval of a Salt Water Disposal Well, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order authorizing it to drill and operate an injection well for purposes of disposing produced salt water to be named the **Scully SWD No. 1 Well** (API No. pending), which will be located 1,724 feet from the north line and 1,607 feet from the west line (Unit F), Section 4, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. Injection will be into the San Andres formation (SWD; San Andres, Pool Code 96121) between 4,450 feet and 5,750 feet below the ground through an open-hole completion. Disposal fluid will be produced water from producing oil and gas wells in the area. Estimated average injection pressure is expected to be approximately 445 psi. The maximum injection pressure will be 890 psi. The subject well will be located approximately 8 miles northwest of Eunice, N.M. Upon the application of the New Mexico State Land Office, this case will be heard De Novo pursuant to the provisions of Division Rule 19.15.4.23 NMAC.
7. **Case No. 20558 (De Novo): Application of Goodnight Midstream Permian, LLC for Approval of a Salt Water Disposal Well, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order authorizing it to drill and operate an injection well for purposes of disposing produced salt water to be named the **Yaz 28 SWD No. 1 Well** (API No. 30-025-pending), which will be located 230 feet from the north line and 236 feet from the east line (Unit A), Section 28, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. Injection will be into the San Andres-Glorieta formation (SWD; San Andres-Glorieta, Pool Code 96127) between 4,630 feet and 6,100 feet below the ground through a perforated completion. Disposal fluid will be produced water from producing oil and gas wells in the area. Estimated average injection pressure is expected to be approximately 750 psi. The maximum injection pressure will be 926 psi. The subject well will be located approximately 7 miles west of Eunice, N.M. Upon the application of the New Mexico State Land Office, this case will be heard De Novo pursuant to the provisions of Division Rule 19.15.4.23 NMAC.
8. **Case No. 20679 (De Novo): Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.** Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying the S/2 of Section 32, Township 23 South, Range 28 East, NMPM. The unit will be dedicated to (i) the Zeppelin 32 W2LI State Com. Well No. 2H, and (ii) the Zeppelin 32 W0LI State Com. Well No. 1H. Both wells first take point in the NW/4SW/4 and final take points in the NE/4SE/4 of Section 32. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 2 miles south of Loving, New Mexico. Upon the application of Bill G. Taylor, Jr., Harvey R. Taylor, Marilyn S. Taylor, Carolyn A. (Taylor) Schrock, and Kathy J. Smith, this case will be heard De Novo pursuant to the provisions of Division Rule 19.15.4.23 NMAC
9. Pending litigation
10. Other business
11. Next meeting: February 27, 2020
12. Adjournment

If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact Florene Davidson at least ten days prior to the meeting or as soon as possible at (505) 476-3458 or florene.davidson@state.nm.us. Public documents can be provided in various accessible formats.