

NOTICE OF PUBLICATION

July 31, 2022

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

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3108 NMAC), the following discharge permit application(s) has been submitted to the Engineering Bureau- Underground Injection Control Group Manager of the New Mexico Oil Conservation Division (“OCD”), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 660-8274 or E-mail: Phillip.Goetze@state.nm.us.

(BW-36/Facility ID# fCJC2116031873) HRC, Inc., Gary Schubert, Owner, P.O. Box 5102, Hobbs, NM 88241, has submitted a new application for an Underground Injection Control (UIC) Class III Brine Well Discharge Permit for the "Schubert Farms Brine Well No. 1" (API# 30·025·37548), located 330 FNL and 1650 FEL, UL: B Section 25, Township 19 South, Range 38 East (Lat. N 32.63760°, Long.: W 103.09880°), NMPM, Lea County, New Mexico. The injection well is located approximately 1.9 miles E-NE of Nadine, NM or 1.7 miles E of the intersection of Hwy- 18 (S. Eunice Hwy.) and 0.95-mile N of Hwy- 56.

Freshwater is injected down a 2 7/8 inch tubing set at 2,680 ft. bgl. into the salt cavern. Brine fluid will be produced up the 5 1/2 inch well casing at 2,650 ft. backed by cement to surface, metered, and piped 2 miles thru subsurface polyethylene pipeline to the brine station for sale. The brine station or sales terminal is located approximately 1.1 miles SW of the brine well at 1914 East Nadine Rd., Hobbs, NM 88240. The brine station is already permitted by the applicant under "BW-31" using a separate brine well facility.

This fluid flow process described above is termed a "normal flow condition" and is required by OCD to maintain a salt cavern structural configuration for development and maximum stability over time. Fresh and/or recycled water from a produced water purification facility located NE of the Brine Station is transported via two 3-inch poly lines to the brine well for injection into the Salado Salt Formation in the injection interval from 2,650 ft. to 2,680 ft. bgl (below fresh groundwater). Another freshwater injection source is derived from a nearby “Ogallala Formation” irrigation well. The existing 5 1/2 in. well production casing extends to 5,460 ft. bgl with bridge plugs set at 5,260 ft., 5,200 ft., 5,150 ft., 3,580 ft., 2,750 ft., and 2,667 ft. bgl. Tubing sidetracks the casing through a window cut from 2,650 – 2,661 ft. in the salt zone above the Yates Formation contact at 2,855 ft. bgl.

The water supply line is connected to the suction side of a pump, which pumps recycled and/or fresh water down the 2 7/8 in. tubing within the 5 1/2 in. well production casing and through a constructed breach in the casing at a depth of about 2,650 ft. bgl with tubing positioned laterally away from the well casing. Fresh water will be injected at a rate of approximately 15 - 45 gpm at a normal operating surface Injection pressure range of 210 - 250 psig. The maximum surface injection pressure allowed is 333 psig. Brine ( 313,000 ppm Total Dissolved Solids- TDS) Is produced up the well annulus between the injection tubing and well casing. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 – 70 ft. bgl with a TDS concentration of approximately 700 ppm. The discharge permit addresses well construction, operation, monitoring, cavern configuration, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan In the event of an accidental discharge.

The OCD has determined that the application is administratively complete and has prepared a draft permit. The OCD will accept comments and statements of interest regarding this application and will create a facility specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact the Engineering Bureau- UIC Group Manager of the Oil Conservation Division at the address given above. The administrative completeness determination and draft permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or may also be viewed at the OCD web site <http://www.emnrd.state.nm.us/oed/>. Persons interested in obtaining a copy of the application and draft permit may contact the OCD at the address given above. Prior to ruling on any proposed discharge permit or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that OCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

Para obtener más información sobre esta solicitud en español, sírvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerals y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Laura Tulk, 505-629-6116).

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 31<sup>st</sup> day of July 2022.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

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Adrienne Sandoval, Director