NOTICE OF PUBLICATION

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 for renewal has been submitted to the Director of the New Mexico Oil Conservation Division (OCD), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

(BW-28) Key Energy Services LCC, Maury Sticker, Environmental Director, 1301 McKinney St. Suite 1800, Houston, Texas 77010 has submitted a renewal application for a Underground Injection Control (UIC) Class III Brine Well Discharge Permit renewal for the "State Brine Well No. 1" (API# 30-025-33547), located 1,340 FNL and 330 FWL, UL: E in Section 15, Township 21 South, Range 37 East NMPM (NAD83: Lat. N 32.48245°, Long.: W 103.15835°), Lea County, New Mexico. The injection well is located approximately 2.5 miles north of Eunice, New Mexico, and 350 feet east of N NM Highway 248.

The well was drilled to a total depth of 2,200 ft. below ground level (bgl). The fluid flow regime is termed "normal flow" based on the well construction. Fresh Water from the City of Eunice is injected into the salt formation (Salado) through 2-7/8 in. tubing at a depth of 1,649 ft. below ground level (bgl) at an injection rate range of between 19 - 29 gpm. Injection shall be below a permitted maximum surface injection pressure (MSIP) of 270 psig. Brine production is through the 8-5/8 in. well casing annulus set to a depth of 1,360 ft. bgl. The depth to top of salt is approximately 1,320 ft. bgl. The well casing shoe is at least 40 ft. into the salt zone.

Produced brine fluid is expected to be at a concentration of about 320,000 ppm Total Dissolved Solids- TDS. 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 1,200 ppm. The discharge permit addresses well construction, operation, monitoring, ground subsidence, associated surface facilities, financial assurance, and provides a contingency plan in the event of accidental discharges.

The OCD has determined 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 may contact the Environmental Bureau Chief of the OCD at the address given above. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or at the OCD web site http://www.emnrd.state.nm.us/ocd/. 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 permit, 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 hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no hearing is held, the Director will approve 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, sirvase 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, 575-748-1283).

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 30th day of June 2019.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

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Adrienne Sandoval, Director