

From: [Laura Angell](#)
To: [Chavez, Carl, EMNRD](#)
Subject: Re: [EXTERNAL] Re: BW-35 Siringo State No. 1 (API# 30-025-30701): Technical Issues
Date: Tuesday, April 25, 2023 3:49:33 PM

Thank you.

On Tue, Apr 25, 2023 at 3:28 PM Chavez, Carl, EMNRD <CarlJ.Chavez@emnrd.nm.gov> wrote:

Laura,

Okay, I think we're good on BW-35 now.

OCD is not requiring updated Financial Assurance on BW-35 at this time.

Now, to issue the BW-35 DP. BW-37 is still in the permit process.

In permitting, it is important for OCD to receive the proof of notice under WQCC, etc.

Thank you.

Carl J. Chavez • UIC Group

Engineering Bureau

EMNRD - Oil Conservation Division

Horizon Building

[8801 Horizon Blvd., Suite 260 | Albuquerque, NM 87113](#)

505.660.7923 | CarlJ.Chavez@emnrd.nm.gov

www.emnrd.nm.gov



From: Laura Angell <llanodisposal@gmail.com>
Sent: Tuesday, April 25, 2023 3:23 PM
To: Chavez, Carl, EMNRD <Carlj.Chavez@emnrd.nm.gov>
Subject: Re: [EXTERNAL] Re: BW-35 Siringo State No. 1 (API# 30-025-30701):
Technical Issues

The bond/irrevocable letter of credit is for 108,000 at the bank and in document form with the OCD. I think you were clear on that, I just answered it incorrectly. It is still enough to cover the closing costs

of everything.

On Tue, Apr 25, 2023 at 3:17 PM Chavez, Carl, EMNRD <Carlj.Chavez@emnrd.nm.gov> wrote:

Laura,

I see the confusion in mentioned other BWs in my msgs.

But my question on FA for BW-35 is still in question. Is the recent FA estimated amount of \$113,000 close to the existing amount? What is the existing bond amount for BW-35?

Thank you.

Carl J. Chavez • UIC Group

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From: Laura Angell <llanodisposal@gmail.com>

Sent: Tuesday, April 25, 2023 2:35 PM

To: Chavez, Carl, EMNRD <Carlj.Chavez@emnrd.nm.gov>

Subject: Re: [EXTERNAL] Re: BW-35 Siringo State No. 1 (API# 30-025-30701):
Technical Issues

Yes. It is well over the estimate and we are covered completely.

On Tue, Apr 25, 2023 at 2:22 PM Chavez, Carl, EMNRD
<Carlj.Chavez@emnrd.nm.gov> wrote:

Laura,

My question is similar to BW-37 Closure Plan inquiry and am wondering about the \$113,000 amount relative to the current bond amount?

Do you know?

Thank you.

Carl J. Chavez • UIC Group

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505.660.7923 | CarlJ.Chavez@emnrd.nm.gov

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From: Laura Angell <llanodisposal@gmail.com>

Sent: Tuesday, April 25, 2023 2:19 PM

To: Chavez, Carl, EMNRD <Carlj.Chavez@emnrd.nm.gov>

Subject: [EXTERNAL] Re: BW-35 Siringo State No. 1 (API# 30-025-30701):
Technical Issues

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Good afternoon Carl.

I have attached what I believe to be all of the remaining technical items for BW-35. Please let me know if you have any questions. The Bond/LOC in the bank is now at \$113.900 and ample to cover the closure costs.

Thank you.

Laura Angell

Llano Disposal, LLC

575-399-5880

On Tue, Apr 11, 2023 at 11:51 AM Chavez, Carl, EMNRD
<CarlJ.Chavez@emnrn.nm.gov> wrote:

Laura,

Please find attached the New Mexico Oil Conservation Division correspondence on the above subject.

Please contact me if you have questions.

Thank you.

Carl J. Chavez • UIC Group

Engineering Bureau

EMNRD - Oil Conservation Division

Horizon Building

[8801 Horizon Blvd., Suite 260 | Albuquerque, NM 87113](https://www.emnrn.nm.gov)

505.660.7923 | CarlJ.Chavez@emnrn.nm.gov

www.emnrn.nm.gov



Siringo ACS State #1 and Siringo Brine Station Discharge Plan

Closure Plan

Upon cease of operations and after regulatory approval, Llano will plug and abandon the brine well, remove all surface equipment, restore the surface to original contour and reseed it with native grasses. In addition, Llano will continue surface subsidence monument surveys for a minimum of 5 years after well plugging.

1. Well Plug and Abandonment

The brine well will be plugged and abandoned per WQCC regulations section 5- 209 and NMOCD rules in place at that time. As discussed in Section VII.A.11 above, the plugging plan includes swabbing approximately one foot of water out of the cavern, removing the tubing string, setting a cast iron bridge plug at 10 feet above the 8-5/8" casing window and filling the casing with a Class C high strength salt resistant cement. The wellhead will be cut off and a dry hole marker installed. Over time, large portions of the resulting salt cavern will re-solidify.

2. Surface Restoration

All surface equipment at the brine well location and brine station will be emptied, decommissioned, and removed either through recycle, scrapping, sale or used by the owner elsewhere. The disturbed surface at the well location and brine station will be reclaimed and re-contoured to near original condition. The disturbed area will be reseeded with a BLM grass seed mixture to establish 70% minimum regrowth coverage.

3. Surface Subsidence Monitoring

The annual surface subsidence monitoring program discussed in section X.A.2 above will be continued for a minimum of 5 years following plugging and abandonment of the brine well.

Siringo ACS State #1 and Siringo Brine Station Discharge Plan

Financial Assurance Plan

Llano Disposal, LLC has provided financial assurance for the ACS State #1 Brine Well and Tatum Brine Station via an irrevocable letter of credit in the amount of \$113,000 covering well plugging and abandonment, surface restoration and surface subsidence monitoring for 5 years after ceasing operations as detailed below.

1. Well Plugging - \$49,215.75

Description of work:

Proposed Plugging Procedures
Llano Disposal, LLC
ACS State #1
API 30-025-30701

1. Pull out of hole with production equipment.
2. Make gauge ring run and set 8 5/8" CIBP at 1993'.
3. Tag CIBP with tubing and circulate the hole with fresh water. Test casing to 500# for 30 minutes with a chart recorder.
4. Spot 270 sx Class C cement on top of CIBP. WOC and tag cement.
5. Circulate cement to surface with approx. 270 sx Class C.
6. Remove the wellhead and ensure good cement is to surface in the 8 5/8" and 20" strings of casing. Install dry hole marker.

Siringo ACS State #1 and Siringo Brine Station Discharge Plan

2. Surface Restoration - \$44,293.20

See cost breakdown below:

Cost	Description
\$4,500.00	Equipment (Trucks for hauling fluids - Llano will provide its own labor) Backhoe/Labor - 2 days to crush fiberglass tanks and PVC components at brine station
\$2,520.00	station
\$2,880.00	35 Ys Roll-off Dumpsters - delivery, rental and hauling to landfill
\$643.20	Lea County Landfill Charges
\$0.00	Llano will provide on-site supervision at no additional charges
\$21,010.00	Equipment/Labor -pull all fencing, remove all concrete, disassemble all metal components, re-contour land to original grade, rebuild barbed wire fence to original ranch configuration, remove underground piping, electrical conduit, winch, high line poles, winch and signage
\$2,640.00	Trucking/Disposal - of concrete to Lea County Landfill
\$4,200.00	Trucking - haul metal components to Hobbs Iron & Metal for recycle
\$5,400.00	Decommission buried polyethylene brine pipeline - costs include fresh water, trucking and pumping to wash pipeline clean and disposal of brine and wash water, then leave pipeline in place for ranching and/or fresh water sales use
<u>\$500.00</u>	Reseeding BLM mix grasses will be done by Llano personnel
\$44,293.20	

3. Surface Subsidence Monitoring - \$4,486.35

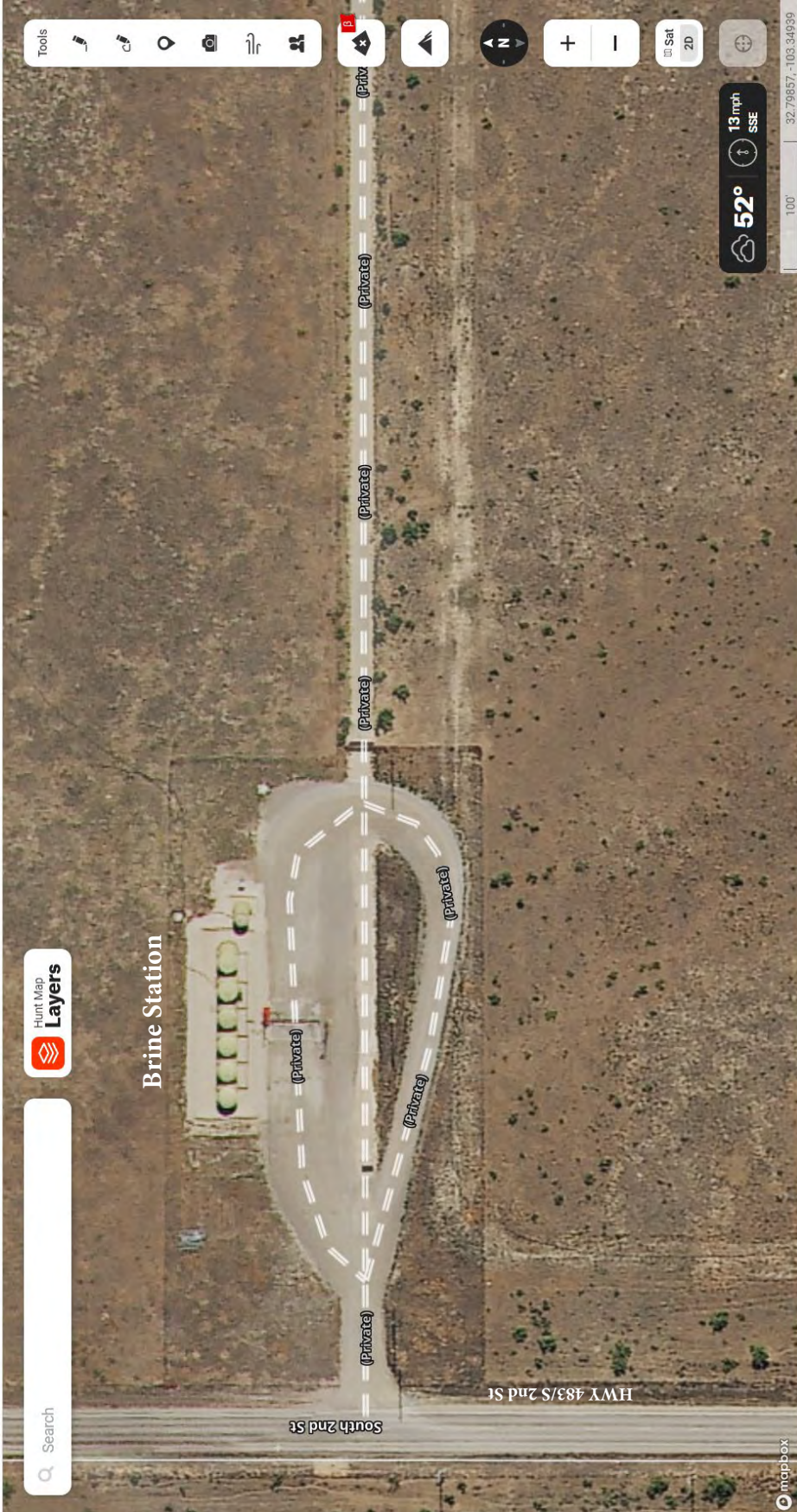
Based on current surface subsidence survey cost quotes, these costs total \$4,486.35 for 5 years of follow-on subsidence monument monitoring. The current cost is \$897.27 per year.

Search



Hunt Map
Layers

Brine Station



South 2nd St

HWY 483/S 2nd St



* Brine Well

* Monitor Well

(Private)

(Private)

(Private)

55°
7 mph
SSE

50' | 32.81151, -103.33124

Search



Brine well ** * Monitor well

Tools

- 📷
- 📏
- 📍
- 📱
- 👤

Navigation controls: Home, Back, Forward, Compass, Zoom In (+), Zoom Out (-), Sat, 2D

56° 11 mph SSE

500'

32.80650, -103.35112

South 2nd St HWY 483/S 2nd St

Brine Station

mapbox

LLANO DISPOSAL LLC.

SIRINGO ACS STATE #1 API #30-025-30701

On March 20, 2023 a field survey was conducted of the Llano Disposal LLC – Siringo ACS State #1 (API #30-025-30701) and four subsidence monuments located in Unit letter D, Section 26, Township 17 South, Range 36 East, N.M.P.M., Lea County, New Mexico.
Located approximately 6.5 miles East of Maljamar NM.

VERTICAL ELEVATION TABLE

Survey	Original Survey EL (Feet)	EL (Feet)	EL (Feet)	EL (Feet)	EL (Feet)	EL (Feet)
Monument ID	01/31/2022*	03/20/2023				
1	3828.30*	3828.24				
2	3827.30*	3827.20				
3	3826.93*	3826.85				
4	3830.01*	3829.96				
Well Flange	-	3828.36				
Bench Mark	3813.31*	3813.31				
Control Point	-	3827.42				

* - Data from Pettigrew & Associates.
Difference in elevations attributed to different GPS equipment used.
Asel Surveying versus Pettigrew & Associates.

HORIZONTAL LOCATIONS

Monument ID	Northing	Easting
1	659971.74	849136.55
2	661265.11	848987.55
3	660370.60	850232.37
4	660441.60	848434.52
Well Head	660367.21	849102.07
"	N33°13'21.03"	W103°18'55.69"



SURVEYORS CERTIFICATE

I, TERRY J. ASEL, NEW MEXICO PROFESSIONAL SURVEYOR NO. 15079, DO HEREBY CERTIFY THAT I CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND MEETS THE "MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO" AS ADOPTED BY THE NEW MEXICO STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND SURVEYORS.

Terry J. Asel 3/28/2023
Terry J. Asel N.M. R.P.L.S. No. 15079

Asel Surveying, LLC

P.O. BOX 393 - 310 W. TAYLOR
HOBBS, NEW MEXICO - 575-393-9146



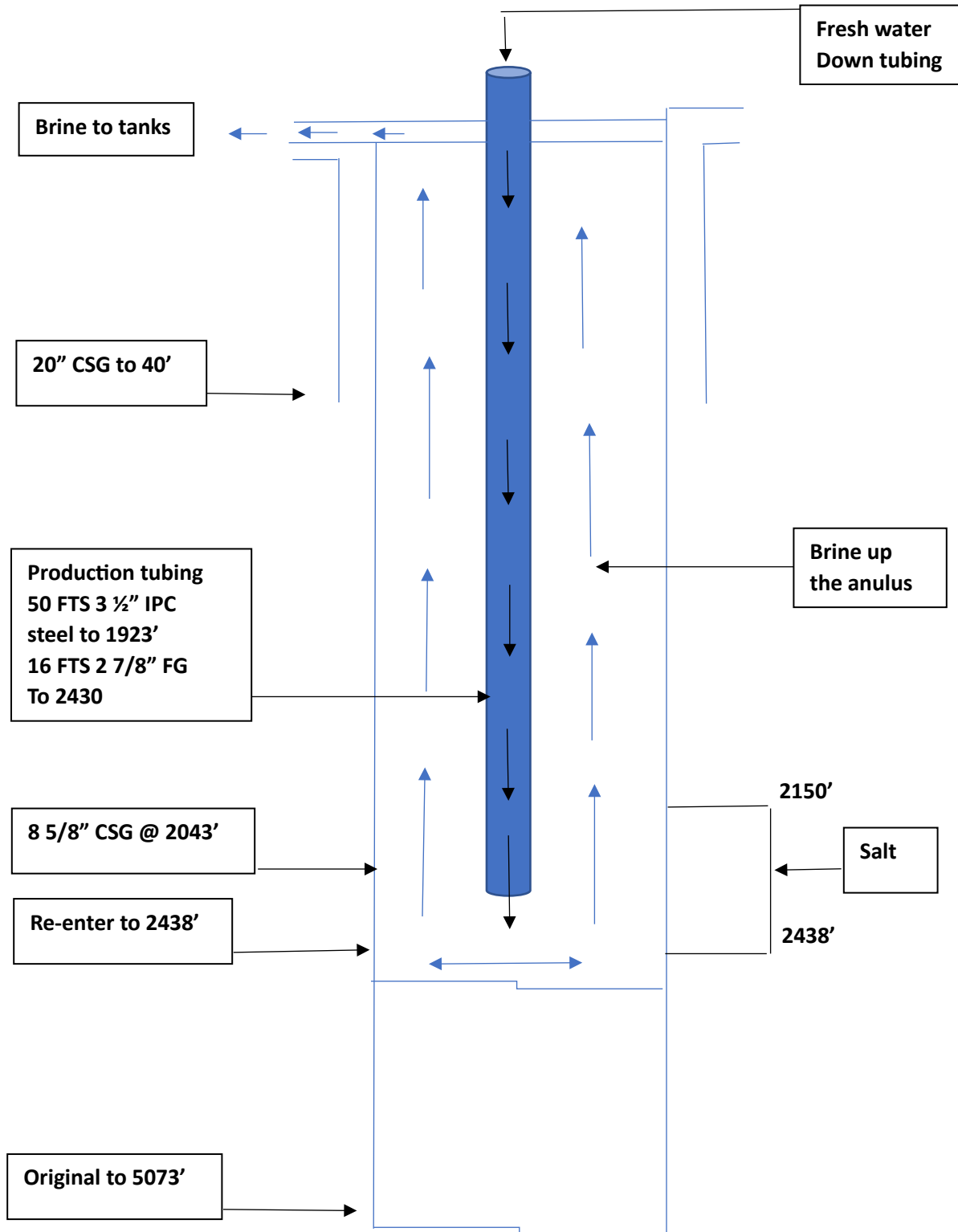
Bearings and Coordinates conform to the New Mexico State Plane Coordinate System, New Mexico East Zone, NAD83, as derived from static GPS data sent to the National Geodetic Survey for OPUS solution processing.
Basis of Elevations: U.S.C. & G.S. Bench Mark
CV0295
Published Elev. = 3813.31

LLANO DISPOSAL LLC.

SIRINGO ACS STATE #1 LOCATED IN
SECTION 26, TOWNSHIP 17 SOUTH, RANGE 36
EAST, N.M.P.M., LEA COUNTY, NEW MEXICO

Survey Date: 03/20/23	Sheet 1 of 1 Sheets
W.O. Number: 230317SUB	Drawn By: KA Rev:
Date: 03/22/23	230317SUB Scale: 1"=1000'

Llano Disposal, LLC
Siringo ACS State #1
API 30-025-30701



LLANO DISPOSAL, LLC
SIGNED ACS STATE #1
ULD-526-T175-R36E

