Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Cabinet Secretary Adrienne Sandoval Director Oil Conservation Division



July 7, 2022

By Electronic Mail

<u>Notice of Resumption of Certain Drilling and Completion Activity in Proximity to the Carlsbad</u> <u>Brine Well</u>

Dear Operators:

You are receiving this notice because you are the registered Operator of well(s) affected by temporary restrictions on drilling and completion activities planned within five miles of the Carlsbad Brine Well ("backfilled void"). These include activities affected by Division Orders R-21888, R-22063, R-21100-B, R-21104-C, and R-21123-C, or restricted by Conditions of Approval ("COAs") attached to Applications for Permits to Drill ("APDs") approved after July 2, 2021. This announces that such activities may resume at certain facilities, subject to the conditions detailed below.

Effective immediately, the Director of the Oil Conservation Division has determined that drilling and completion activities associated with oil and gas production may resume *outside of a one-mile radius* of the backfilled void. Wells, or any portion of wells, or any activity, planned within one mile of the backfilled void *may not* resume activity at this time.

The Conditions of Approval identified remain in effect and OCD intends to administer them as follows for activities outside of a one-mile radius:

- OCD requires that operators continue to comply with all notice requirements as prescribed in the applicable Division Order or COAs.
- Certain COAs required operators to submit notification of drilling or completion activities to OCD, subject to OCD approval. Operators may consider such activities approved by OCD once operator complies with applicable notification requirements for activities outside of a one-mile radius of the backfilled void.
- While OCD is requiring that operators continue to provide notice of planned drilling and completion activities within five miles of the backfilled void for informational and planning purposes, OCD does not intend to restrict or delay the planned activity occurring between one and five miles of the backfilled void.

This Notice is effective immediately, please contact Jesse Tremaine at <u>JesseK.Tremaine@state.nm.us</u> or (505) 231-9312 with any questions about this Notice, affected Division Orders, COAs, or individual activities.

Sincerely,

