LEGAL NOTICE

NOTICE OF PUBLICATION
June 23, 2024

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 [Phillip Goetze, direct (505) 660-8274 or e-mail: phillip.goetze@emnrd.nm.gov] of the New Mexico Oil Conservation Division (OCD), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505**.**

(BW-8) PAB Services, Inc., Pieter Bergstein, Owner, P.O. Box 2724, Lubbock, Texas 79408, has submitted a permit renewal application for an Underground Injection Control (UIC) Class III Brine Well Discharge Permit Renewal for the "Brine Supply Well No. 1" (API No. 30-025-26307/Facility ID No. fCJC2117638475) located 1,980 FSL and 1,980 FEL in Unit J (NW/4SE/4) in Section 5, Township 19 South, Range 36 East (Lat. N 32.68782° Long.; W -103.37449°; NAD83), NMPM, Lea County, New Mexico, located approximately 11 miles west of Hobbs, New Mexico along U.S. Highway 62/80 (US 62/80), about 0.5 mile east of the US 62/80 and 529 Intersection.

The current fluid flow process is termed "reverse flow" which consists of freshwater injection through a 4-1/2 inch (in.) casing liner fully cemented within a 8-5/8 in. casing with at an approximate setting depth of 1,877 feet below ground level (ft. bgl) into anhydrite beds above the Salado (Salt) Formation (Salado). Brine production is through the 2-7/8 in. tubing set in the open salt cavern at about 2,610 ft. bgl within the Salado. The Anhydrite-Salado **(**Salt**)** Formation interface is at 2,000 ft. bgl. Below the 8-5/8 in. casing is a 6-1/4 in. open hole drilled to a total depth of about 2,958 ft. bgl that enhances brine production and uniform cavern development. The injection and production flow process may temporarily be reversed as required periodically to clean the tubing and annulus.

Fresh water injection down the 4-1/2 in. liner is at an average injection rate of 1,600 barrels per day (bbl./day) (~47 gallons per minute (gpm)) and maximum injection rate of approximately 2,674 bbl./day (~78 gpm). Injection shall be below a permitted maximum surface injection pressure (MSIP) of 350 pounds per square inch-gauge. Fresh water is supplied by a water supply well located approximately one-half mile north-northeast of the brine well.

The fresh water and brine sales station is located approximately 2,500 ft. north-northeast of the brine well. Groundwater recovery wells are present near the station and hydrogeologically downgradient from the brine well. Groundwater with elevated chlorides from both locations are recovered and injected into the brine well. Produced brine ready for sale is stored in a bermed tank battery consisting of six (6) 750-bbl above ground storage tanks that are constructed of fiberglass. The total capacity of the tank battery is 4,500 bbl. Produced brine is conveyed using a 3-inch diameter, 3/8-in. thick, high-density polyethylene (HDPE) pipeline at surface from the brine well to the tank battery. The conveyance pipeline is exposed at the surface and is inspected regularly for leaks. The areas of the conveyance pipeline and storage tanks are inspected regularly for signs of leaks and deterioration.

Produced brine fluid is expected to be at a Total Dissolved Solids (TDS) concentration of about 324,000 Parts per million (ppm). Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 50 to 70 ft. bgl with a TDS concentration of approximately 1,010 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 an accidental discharge.

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 OCD Engineering Bureau-UIC Group Manager 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 a 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 espaniol, 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. Conservacio´n 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 Division at Santa Fe, New Mexico, on this 23rd day of June 2024.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

SEAL

Dylan M. Fuge, Acting Director