



NEW MEXICO STATE LAND OFFICE
Oil, Gas and Minerals Division / Water Bureau
 APPLICATION FOR NEW SALT WATER DISPOSAL EASEMENT

1. APPLICANT INFORMATION

I _____ hereby submit this application for a Salt Water Disposal Easement under the laws of the State of New Mexico and rules and regulations of the State Land Office, for a term of **five** years. I submit this application:

_____ for myself, as Applicant.

- OR -

_____ on behalf of the Applicant, as Applicant's Representative. By signing below, Representative represents and warrants that he or she is duly authorized and has legal capacity to submit this application for Salt Water Disposal Easement on behalf of the Applicant:

 Signature Date

Applicant's name (individual or business): _____
 Mailing Address: _____
 Phone: _____
 Email: _____

Representative's name: _____
 Relationship to Applicant: _____
 Mailing Address: _____
 Phone: _____
 Email: _____

Applicant is: _____ an individual resident of the State of _____.
 - OR -
 _____ a business that has a home office in the State of _____ and is authorized to do business in the State of New Mexico. Business is a(n) _____ (partnership, corporation, other).

2. LOCATION OF REQUESTED EASEMENT

Please provide the following information about the location of the state trust land where the easement is requested (you may use more than one line but the land described must be contiguous). Enter the legal description of the proposed salt water disposal easement indicating the 40-acre tracts (qtr/qtr breakdown) and a computation of the number of acres (up to 2.50 acres) included in the proposed salt water disposal well site as shown on the attached survey plat.

County: _____

<i>Quarter-Quarter</i>	<i>Section</i>	<i>Township</i>	<i>Range</i>	<i># of Easement Acres</i>

******Attach a copy of the OCD C-102 survey plat showing the acres associated with this well easement.**

3. WELL INFORMATION

WELL NAME: _____ **API#** _____

- DATE C-108 submitted to OCD _____ OCD ORDER # _____
- LAT/LONG: _____ / _____
- Injection Formation _____
- Proposed Interval (as on the C-108) _____ ft. to _____ ft.
- Approximate # of barrels to be injected per month _____
- Is this is a trucking location or a pipeline location facility? _____

If this well services a unit or com only then no easement is required. If this well will accept off unit production then an easement is required.

The approximate dates for construction of facilities on the Salt Water Disposal are from _____ to _____.

Please provide driving directions to the proposed site; _____

4. BOND INFORMATION

The following is enclosed to cover payment for damages that might occur to the state land improvements of a surface lessee:

- A surety (performance and surface damage) \$10,000.00 bond. Bond # _____
-Or-
- Sufficient bonding requirements have been met. Surety Bond on file. Bond # _____
- Plus-
- Additional \$250,000.00 Reclamation Bond. Bond # _____
Due within 45 days of final contract signature

5. CULTURAL RESOURCE PROTECTION

Please indicate that you (Applicant or Authorized Representative) have read the **T&E and Cultural Resources Notice to Applicants** (attached) and that you understand and agree to abide by the terms and conditions set forth therein.

Yes ____ No ____

An Archaeological Survey is strongly recommended. If no survey is provided, an Archaeological Records Management Section Inspection (ARMS Inspection) in accordance with NMAC 4.10.15.9 is required. If the ARMS Inspection is not provided by the Applicant, the Land Office will provide the ARMS Inspection in the order applications are received.

An Archaeological Survey is attached with a cover page labeled: Yes ____ No ____
Confidential Exhibit _____.

An ARMS Inspection is attached with a cover page labeled: Yes ____ No ____
Confidential Exhibit _____.

The Applicant would like the NMSLO to provide the ARMS Inspection: Yes ____ No ____

6. GIS SHAPEFILES

Shapefiles are required with all applications and shall include access roads and facilities for your project. If you do not have shapefiles for the requested easement, please contact the surveyor who developed the project location plat for your application.

Name of shapefile custodian: _____
Email address: _____
Phone number: _____

7. DISPOSAL CHARGE

In addition to the easement annual rent a per-barrel disposal rent will be charged for all produced water volumes injected into the easement well, regardless of whether the Salt Water was produced on-lease or off-lease. This disposal rent charge is based on whether operation of Salt Water Disposal wells is Applicant’s “Primary Business,” defined herein as transportation, movement, and/or disposal of produced water generating 50% or greater of Grantee’s annual gross revenues. By checking the appropriate box and signing this application, Applicant or Applicant’s Representative represents and warrants that the following information is true and correct:

_____ **Tier One Salt Water Disposal Well.** Operation of Salt Water Disposal wells **is not** Applicant’s Primary Business.

_____ **Tier Two Salt Water Disposal Well.** Operation of Salt Water Disposal wells **is** Applicant’s Primary Business.

8. PAYMENT

Please enclose a check for **\$10,250.00**, made payable to “Commissioner of Public Lands,” to cover the \$250.00 non-refundable application fee and the Easement annual rent of \$10,000.00 for the first year.

9. ACKNOWLEDGEMENTS

Please initial each statement below:

_____ Applicant or Representative understands and agrees that before a Salt Water Disposal Easement can be granted, the Applicant must provide adequate bond to reclaim all surface damages that could result from activities undertaken under this easement.

_____ Applicant or Representative understands and agrees that if the Salt Water Disposal Easement is granted, Applicant must furnish Commissioner copies of records and such reports and plats of any operations including, but not limited to meter readings, well logs, drill cores, OCD filings, and other data relating to geological formations as the Commissioner may reasonably deem necessary for his administration of the trust lands.

_____ Applicant or Representative understands that the State Land Office might require additional information based on this application, and agrees to provide such additional information as reasonably necessary to complete the application process.

I, _____, (print name) do solemnly swear (or affirm) that the above statements and answers to questions in this application are true and correct to the best of my knowledge and belief.

If application is being submitted by Applicant, please initial the following statement:

_____ Applicant covenants and agrees to abide by all laws and regulations of the Land Office and to hold harmless, indemnify, and defend the Commissioner, his agents and lessees, in their official and individual capacities of and from any and all liability, claims, losses, or damages arising out of or alleged to arise out of or indirectly connected with operations under any grant made by the Commissioner.

If application is being submitted by Representative on Applicant’s behalf, please initial the following statement:

_____ I solemnly swear (or affirm) that I have advised the Applicant of the acknowledgements and agreements of this Paragraph, and that Applicant covenants and agrees to the statements in this Paragraph, and to abide by all laws and regulations of the Land Office and to hold harmless, indemnify, and defend the Commissioner, his agents and lessees, in their official and individual capacities of and from any and all liability, claims, losses, or damages arising out of or alleged to arise out of or indirectly connected with operations under any grant made by the Commissioner.

Signed: _____ Applicant acknowledgement must be notarized on following page

ACKNOWLEDGMENT BY APPLICANT

State of _____)
) ss.
County of _____)

This instrument was acknowledged before on _____ (date)

by _____ (printed name).

(seal) _____ (Signature of notarial officer)

My commission expires: _____

OR

ACKNOWLEDGMENT BY APPLICANT’S REPRESENTATIVE

State of _____)
) ss.
County of _____)

This instrument was acknowledged before on _____ (date) by
_____ (printed name) as _____ (title) of
_____ (name of party on behalf of whom instrument is executed).

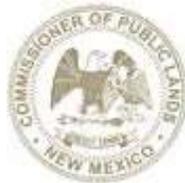
(seal) _____ (Signature of notarial officer)

My commission expires: _____

Make your payment to:

New Mexico Commissioner of Public Lands
Oil, Gas and Minerals Division/Water Bureau
310 Old Santa Fe Trail
P.O. Box 1148
Santa Fe, NM 87504-1148

**When you provide a check as payment, you authorize the State of New Mexico to either use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.*



**Stephanie Garcia Richard
Commissioner of Public Lands
State of New Mexico**

T & E AND CULTURAL RESOURCES NOTICE TO APPLICANTS

Prior to approval of any application, all applicants requesting permission to conduct any project or activity on state trust land must acknowledge receipt and acceptance of the following instruction and notification:

Lessees are expected to know and abide by the laws related both to threatened and endangered species, and to the protection of cultural properties.

Threatened and Endangered Species

Plant and animal species may be listed with various state and federal agencies as threatened or endangered. Each agency designation carries specific prohibitions against “take” which may result in distinct regulatory impacts on land use within the range of each species. “Take” is defined and interpreted differently across jurisdictional boundaries. **It is the lessee’s obligation to know, understand and abide by the laws related to threatened and endangered species.**

Protection of Cultural Resources

The New Mexico Historic Preservation Division maintains records of all cultural resource surveys through its Archaeological Records Management Section (ARMS). **An ARMS Inspection of Records in compliance with NMAC 4.10.15.9 will be included with all applications.**

To minimize processing delays, **applicants are strongly encouraged to supply an ARMS Inspection with their applications.** If no ARMS Inspection is provided by the applicant, the Land Office will provide the ARMS Inspection in the order applications are received.

NMSA 1978, § 18-6-9(A) states “Any person who knowingly excavates, injures or destroys cultural property located on state land without a permit is guilty of criminal damage to property.” Further, NMSA 1978, § 18-6-9(B) states “Any person who solicits, employs or counsels another person to excavate

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injure or destroy cultural property located on state land without a permit is guilty of criminal damage to property.”

Applicants and lessees should always exercise **due caution** to ensure that cultural properties are not inadvertently excavated, injured or destroyed by any person. The State Land Office recommends that a survey be conducted to current standards, as defined by NMAC 4.10.15, prior to any activity in the proposed project area. If a survey is produced in conjunction with the application, the applicant will design the project so as to avoid any cultural properties found by the survey.

As a condition of this permit and pursuant to NMAC 19.2.10.20, any project or lease activities that reveal or result in discovery of a previously undocumented significant cultural property or archaeological site on state trust land shall result in immediate cessation of activities and **immediate notification of the State Land Office and SHPO**. Activities shall remain suspended until SHPO and the State Land Office approve resumption of activities.

Furthermore, if activity is conducted without the benefit of a survey and any cultural property is damaged in the process, the lessee will be **subject to a fine of no less than \$100,000.00** at the discretion of the Commissioner of Public Lands. The lessee will also be held liable for the cost of an archaeological damage assessment, plus the remediation value of said property as determined by that damage assessment.

For further information, please contact

New Mexico Historic Preservation Division: 505-827-6320; or

New Mexico State Land Office:

- Oil & Gas Division: 505-827-5774
- Mineral Leasing Division: 505-827-5750
- Field Operations Division: 505-827-5856
- Water Bureau: 505-827-5849