



# NEW MEXICO STATE LAND OFFICE Oil, Gas and Minerals Division / Water Bureau

APPLICATION FOR **RENEWAL** OF SALT WATER DISPOSAL EASEMENT **SW-**\_\_\_\_\_

## 1. APPLICANT INFORMATION

I \_\_\_\_\_ hereby submit this renewal 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: \_\_\_\_\_

Billing 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 RENEWAL EASEMENT

Please provide the following information about the location of the state trust land where the easement renewal 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) as shown on the attached survey plat.

County: \_\_\_\_\_

*Quarter-Quarter      Section      Township      Range      # of Acres*

WELL NAME: \_\_\_\_\_ API# \_\_\_\_\_

OCD Order #: \_\_\_\_\_

\*\*Submit a copy of a plat showing the acres, all improvements, pipelines, and access roads on this well easement.

3. LIST IMPROVEMENTS ON THE EASEMENT: \_\_\_\_\_  
\_\_\_\_\_

4. TANK BATTERY LOCATION: \_\_\_\_\_

5. WELL OPERATION: Has there been continuous injection? \_\_\_\_\_, if no please explain \_\_\_\_\_  
\_\_\_\_\_

6. NUMBER OF SPILLS/RELEASES: List RP/incident numbers \_\_\_\_\_  
\_\_\_\_\_

7. COMPLIANCE: As Grantee have you received notices of violation, warning letters, compliance orders, or settlement agreements from/with OCD or SLO with respect to the Easement? Describe \_\_\_\_\_  
\_\_\_\_\_

8. CURRENT ON ANNUAL RENT PAYMENTS? \_\_\_\_\_

9. CURRENT ON DISPOSAL PAYMENTS? \_\_\_\_\_

10. BOND INFORMATION

The following bond is required to cover payment for damages that might occur to the State Land improvements of a surface lessee:

\_\_\_ A surety bond in the amount of \$10,000.00. Bond # \_\_\_\_\_

-OR-

\_\_\_ Sufficient bonding requirements have been met. Surety Bond on file. Bond # \_\_\_\_\_.

*-Plus-*

Additionally, the following bond is required to cover any and all performance requirements, costs, fees, annual and disposal rental payments, removal of all improvements and equipment, remediation, reclamation, and fines in the SWD Easement:

\_\_\_ A surety bond in the amount of \$250,000.00 for Reclamation. Bond # \_\_\_\_\_.

The bond is due within 45 days of the easement final signature and prior to injection.

11. CULTURAL RESOURCE PROTECTION

Parties are expected to review and abide by the laws and rules related to the protection of cultural properties, including the Cultural Properties Protection Rule (19.2.24 NMAC). Please indicate whether you have signed the enclosed Acknowledgment Form. Yes \_\_\_\_\_ No \_\_\_\_\_

The NMSLO Cultural Resources Cover Sheet (Exhibit \_\_\_\_\_) provided to you by the archaeological consultant is attached to your application and indicates whether:

an ARMS Inspection \_\_\_ or an Archaeological Survey \_\_\_ has been conducted for this project.

(see 19.2.24.9 & 19.2.24.10 NMAC for exceptions of certain categories of activity that do not require an ARMS inspection or survey).

Does your project involve federal or other state agencies? Yes \_\_\_\_\_ No \_\_\_\_\_

In addition to complying with the requirements of the Cultural Properties Protection Rule, parties also must comply with all other applicable state and federal laws and rules, including laws and rules pertaining to endangered and threatened species and habitat protection.

## 12. DIGITAL FILES

Digital files are required with all applications and shall include the access roads and facilities for your project.

**If the State Land Office has detailed location information about this Easement already on file there is no need to re-supply this information.** If you do not have shapefiles for the requested easement, please contact the surveyor who developed the project location plat for your application. Yes \_\_\_ No \_\_\_

Name of shapefile custodian: \_\_\_\_\_

Email address: \_\_\_\_\_ Phone number: \_\_\_\_\_

## 13. DISPOSAL CHARGE

In addition to the easement annual rent a per-barrel disposal rent will be charged for all produced water volumes disposed into the easement well, regardless of whether the produced 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 generates 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.***

-OR-

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

## 14. PAYMENT INFORMATION

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.

## 15. 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.

-OR-

**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:** \_\_\_\_\_

**ACKNOWLEDGMENT**

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/ Water Bureau  
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. An incomplete application will be returned.*



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

## CULTURAL PROPERTIES PROTECTION ACKNOWLEDGMENT FORM

All lessees, operators, grantees, permittees, and/or applicants (collectively, "Parties") requesting any authorization from the Commissioner of Public Lands, or conducting any project or activity on state trust land, are expected to review and abide by all applicable laws and rules related to the protection of cultural properties on state land, including the New Mexico State Land Office's ("NMSLO") Cultural Properties Protection Rule, 19.2.24 NMAC. The Cultural Properties Protection Rule can be viewed at <https://www.nmstatelands.org/culturalproperties/>.

Parties conducting surface-disturbing activity on state trust land must follow the procedures and timelines outlined in 19.2.24.8 NMAC. To minimize processing delays, Parties are strongly encouraged to supply NMSLO with appropriate documentation as early as possible pursuant to 19.2.24.8 (C), (D), (E) & (F) NMAC. Parties are advised to always exercise due caution to ensure that cultural properties on state trust land are not inadvertently excavated, disturbed, dislodged, damaged, destroyed, or removed by any person, pursuant to the Cultural Properties Protection Rule, 19.2.24.8 (A) NMAC and Section 18-6-9 (A) and (B), NMSA 1978.

By signing this acknowledgment form, Parties affirm that they have read this document, including the accompanying Instructions for Compliance, and have reviewed and agree to comply with NMSLO's Cultural Properties Protection Rule. If a Party is other than a natural person, the individual signing below attests that they have the authority to execute this acknowledgment on behalf of and bind that Party.

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**Type and Number of Instrument (Lease Number):** \_\_\_\_\_

(Required for Oil & Gas Leases-eg. VB06320001; include if available for other leases: Business, Renewables, Minerals, Water Bureau, ROW or Agricultural leases-eg. BL05220001, GR0232, R40893, SW0520, HA0102)

**Name of Party (Company Name, if applicable):** \_\_\_\_\_

**Name of Signatory (Person Signing):** \_\_\_\_\_

**Relationship to Party/Title (position):** \_\_\_\_\_

(eg. lessee, operator, grantee, applicant, self or other)

**Phone Number:** \_\_\_\_\_ **Email Address:** \_\_\_\_\_

**Signature :** \_\_\_\_\_ **Date:** \_\_\_\_\_

# INSTRUCTIONS FOR COMPLIANCE

## Cultural Properties Protection Rule (19.2.24 NMAC)

The following instructions apply to all lessees, operators, grantees, permittees, and/or applicants (collectively, “Parties”) that intend to conduct new surface disturbing activities on state trust lands. The instructions provide additional guidance for fulfilling the requirements of NMSLO’s Cultural Properties Protection Rule. A copy of the Cultural Properties Protection Rule can be found at <https://www.nmstatelands.org/culturalproperties/>.

We thank you in advance for your commitment to protecting New Mexico’s past and living history. NMSLO encourages all Parties to provide current and accurate documentation as early as possible to minimize processing delays.

Please do not hesitate to reach out to the Cultural Resources Office at [croinfo@slo.state.nm.us](mailto:croinfo@slo.state.nm.us) should you have any questions after reviewing these instructions or with NMSLO’s cultural properties review process.

### Part I: Archaeological Records Management Section (ARMS) Inspection (Records Review)

1. The ARMS inspection is a records review and should comply with the pre-field requirements of 4.10.15.9 NMAC. An ARMS inspection must be conducted prior to any new surface-disturbing activities, in compliance with 19.2.24.8 (C) NMAC. The specific timing of when an ARMS inspection is required depends on the category of activity, as described in 19.2.24.8 (E) NMAC. The Cultural Properties Protection Rule provides exceptions for certain categories of activity that do not require an ARMS inspection or survey; see 19.2.24.9 NMAC and 19.2.24.10 NMAC.
2. Parties are expected to engage a permitted archaeologist to conduct the initial ARMS inspection. Permitted archaeologists are referred to in these Instructions as “archaeological consultants.” Only ARMS inspections from archaeological consultants will be accepted. The list of archaeological consultants in New Mexico is available at <http://www.nmhistoricpreservation.org/documents/consultants.html>. Scroll down past the headings for “Archaeological Permits” and “Official Scenic Markers” to “Preservation Consultants.” Click on the pdf document titled “Cultural Resource Consultants.” The list is updated regularly and arranged by county of location. Because costs vary, the NMSLO encourages Parties to contact more than one archaeological consultant.
3. The Party must provide the archaeological consultant with all relevant supporting documentation. This may include a description of the project, cadastral plats, and location information in digital form (ArcGIS shape files, kml/kmz format, GPS coordinates, CAD drawings, plats, or accurate depictions on USGS 1:24000 quadrangles).
4. The archaeological consultant will conduct an ARMS inspection of the entire area of potential effect (APE). Based on the ARMS inspection, the findings will be summarized into one of three results as indicated on the NMSLO Cultural Resources Cover Sheet (“Cover Sheet”). The Cover Sheet is a fillable PDF form (available from the Web Portal and also from NMSLO’s website and Cultural Resources Office):
  - (A) \_\_\_ The entire area of potential effect or project area has been previously surveyed to current standards and **no** cultural properties were found within the survey area.
  - (B) \_\_\_ The entire area of potential effect or project area has been previously surveyed to current standards and cultural properties were found within the survey area.
  - (C) \_\_\_ The entire area of potential effect or project area has **not** been previously surveyed or has not been surveyed to current standards. A complete archaeological survey must be conducted and submitted for review.
5. If the ARMS inspection indicates that the entire APE has been previously surveyed and no cultural properties were located (**result A above**), NMSLO’s Cultural Resources Office and the relevant leasing division (e.g. Water Bureau, Minerals; Agricultural Leasing; Business Leasing, Renewable Energy, Rights-of-Way, etc.) will complete the process of review and approval. In the case of oil and gas lease projects, once the Cultural Resources Office reviews and approves the ARMS inspection results, no further archaeological review is required and the project may proceed.
6. For the ARMS Review (**result A above**), the archaeological consultant will complete and submit the ARMS

Inspection/Desktop Review web form on the Cultural Compliance Web Portal (Web Portal), available at <http://culturalcompliance.nmstatelands.org/>. NMSLO's Cultural Resources Office will have immediate access to the submitted web form and accompanying documents.

7. If the ARMS inspection result indicates a previous survey showing the presence of cultural properties within the APE (**result B above**), the Party must propose avoidance and protection measures for the project as designed in collaboration with their archaeological consultant.
8. If the ARMS inspection shows that the entire APE has **not** been subject to archaeological survey or to a current standards survey (**result C above**), a complete archaeological survey must be conducted. The new survey need not include areas already subjected to acceptable surveys. See continued instructions below, Part II.
9. Because specific locational information of cultural properties that may be contained in an ARMS inspection or archaeological survey is confidential under New Mexico law (see Cultural Properties Act, Section 18-6-11.1, NMSA 1978, and Section 19-1-2.1, NMSA 1978), Parties should expect to receive a copy only of the Cover Sheet from their archaeological consultant, and should forward the Cover Sheet to the appropriate NMSLO leasing division with their application.
10. Parties conducting project activities on state land under oil and gas leases, like other Parties, will receive a copy of the Cover Sheet from their archaeological consultant. To provide information on their upcoming projects on state land, Parties will then fill in the Oil and Gas Project Description Web Form at <http://culturalcompliance.nmstatelands.org/> and will submit, along with the Cover Sheet, any necessary documentation for cultural compliance review pursuant 19.2.24.8 (E)(3) NMAC. Only on-lease oil and gas projects with activities that are not included in any other lease application at NMSLO (eg. Business or Right of Way) should utilize the Web Portal.

## **Part II: Archaeological Surveys and Compliance Measures**

1. If the ARMS inspection, in compliance with 19.2.24.8 NMAC, indicates that the entire APE has not been subject to archaeological survey (see Part I, Para. 4, **result C**), a complete archaeological survey must be conducted to current standards in compliance with 4.10.15 NMAC. The new survey need not include areas already subjected to acceptable surveys.
2. In compliance with 19.2.24.8 (F) NMAC, at least 15 calendar days prior to any survey activities, the archaeological consultant should fill in and submit a Notification of Intent to Conduct an Archaeological Survey through the Web Portal at <http://culturalcompliance.nmstatelands.org/>.
3. Only archaeological surveys from archaeological consultants will be accepted and must be conducted under current standards in compliance with 4.10.15 NMAC. Information on how to access the list of archaeological consultants is listed in Part I, Para. 2 above. NMSLO encourages Parties to contact more than one archaeological consultant in your location as proximity will be a factor in estimated costs of an archaeological survey.
4. Parties will be expected to design their project to avoid any cultural properties identified within the APE (as recorded on the Cover Sheet in Part I, Para. 4, **result B**) by the archaeological survey obtained in conjunction with a project or by pre-existing surveys, or provide other mitigation measures in collaboration with their archaeological consultant. Parties are encouraged to provide NMSLO with appropriate current and accurate documentation of the proposed activity as early as possible (preferably at least sixty calendar days prior to any surface disturbing activity) to minimize processing delays and ensure implementation of avoidance and protection measures.
  - a. Pursuant to the Cultural Properties Protection Rule, 19.2.24.12 (A) NMAC, if any Party becomes aware of actual or imminent damage to cultural properties on state trust lands where that Party is conducting activities, that Party shall immediately notify NMSLO and suspend project activities in the immediate area of the damage or the threatened cultural property. Activities shall remain suspended until the State Historic Preservation Officer and NMSLO approve resumption of activities.
  - b. A Party that damages cultural properties on state trust land is responsible for the cost of an archaeological damage assessment, plus the remediation value of the affected cultural property as determined by that damage assessment. In addition, the Commissioner of Public Lands may file an

action to recover an amount equal to twice the cost of restoration, stabilization, and interpretation of the damaged cultural property, in accordance with the Cultural Properties Act, Section 18-6-11.2(C), NMSA 1978.

5. The archaeological consultant, upon completion of the survey report, should submit the fillable, completed Cover Sheet to [croinfo@slo.state.nm.us](mailto:croinfo@slo.state.nm.us) with any relevant questions.

Pursuant to the requirements of 4.10.8.18 NMAC, the Cultural Resources Office will review a complete copy of the survey report, its findings and any required compliance (avoidance or mitigation) measures and recommend revisions, if applicable. The Cultural Resources Office will provide further guidance on how archaeological consultants should submit complete survey reports and any required compliance measures for review.

The Cultural Resources Office additionally may request electronic files of survey report(s), sites, location of findings, or survey areas in order to complete its review, all of which should be sent to [croinfo@slo.state.nm.us](mailto:croinfo@slo.state.nm.us).

6. The complete results of an archaeological survey are confidential under New Mexico law (see Cultural Properties Act, Section 18-6-11.1, NMSA 1978, and Section 19-1-2.1, NMSA 1978).
  - a. Upon approval of the final archaeological survey report and its findings/recommendations, the archaeological consultant will upload the final archaeological report along with all supporting documentation to the New Mexico Cultural Resources Information System (NMCRIS). Parties should expect to receive a copy of the Cover Sheet from their archaeological consultant, and should forward it to the appropriate leasing division with their application.
  - b. In the case of oil and gas leases only, Parties themselves will upload the Cover Sheet along with their Project Description Web Form documentation submitted via the Web Portal at <http://culturalcompliance.nmstatelands.org/>.
7. The website <http://nmstatelands.org/cultural-resources-office/> contains a list of State Trust Land Archaeologists within NMSLO's Cultural Resources Office (along with related contact info) to whom questions can be addressed.
8. Below is a list of useful links, emails, and phone numbers:
  - a. Cultural Compliance Portal: <http://culturalcompliance.nmstatelands.org>
  - b. Cultural Resources Office Website: <http://www.nmstatelands.org/cultural-resources-office/>
  - c. Cultural Properties Protection Rule and FAQs: <http://www.nmstatelands.org/culturalproperties/>
  - d. Historic Preservation Division-List of Archaeological consultants: <http://www.nmhistoricpreservation.org/documents/consultants.html>
  - e. Inquiries to the Cultural Resources Office: [croinfo@slo.state.nm.us](mailto:croinfo@slo.state.nm.us)
  - f. Main New Mexico State Land Office phone number: 505-827-5760