

**EDDY COUNTY
RESOLUTION NO. R-18-18**

A RESOLUTION IN SUPPORT OF THE PROPOSAL TO FUND THE REMEDIATION OF THE SOUTH Y BRINE WELL WITH A COMBINATION OF FUNDS FROM THE STATE OF NEW MEXICO, THE CITY OF CARLSBAD, AND EDDY COUNTY, TO THE EXTENT ALLOWED BY LAW, COMMITTING EDDY COUNTY'S PORTION OF THOSE FUNDS.

WHEREAS, in 2008, the Oil Conservation Division of the New Mexico Energy, Mineral, and Natural Resources Department ("OCD") required I&W Brine Well Services to shut in its brine production well near the intersection of US Highways 62/180 and 285 in southern Carlsbad ("South Y Brine Well"); and

WHEREAS, OCD took that action after two similar brine wells, Jim Water Service, BW-005, and Loco Hills Water Disposal, BW-021, collapsed creating large sinkholes; and

WHEREAS, the OCD is monitoring the condition of the South Y Brine Well; and

WHEREAS, in 2017, the New Mexico State Legislature created a Brine Well Authority ("Authority") to serve in an advisory capacity to the OCD in its development of a remediation plan; and

WHEREAS, the Authority encourages the pursuit of various funding avenues and supports all efforts to fund the remediation of the South Brine Well; and

WHEREAS, it is predicted that the collapse of the South Y Brine Well would threaten human life and jeopardize significant infrastructure in that area including, but not limited to homes, businesses, a railroad line, US Highways 62/180 and 285, the Carlsbad Irrigation District canal, and a church; and

WHEREAS, the economic impact of the collapse would affect the entire state; and

WHEREAS, it is estimated that the remediation of the South Y Brine Well may cost approximately Forty-three Million Dollars; and

WHEREAS, the County and the City of Carlsbad have been approached by members of the State legislature with a funding proposal to remediate the South Y Brine Well contingent upon the County and the City of Carlsbad each committing Four

Million Dollars and with the State committing the remainder of the necessary funds; and

WHEREAS, the County has been told that it must approve this proposal before Sunday, January 28, 2018, in order to have the proposal considered by the New Mexico State Legislature.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF EDDY COUNTY, NEW MEXICO, THAT:

1. The County finds the remediation of the South Y Brine Well to be of primary importance.
2. The County supports the following proposal to fund that remediation:
 - A. The County and the City of Carlsbad each commit, to the extent allowed by law, to provide up to Four Million Dollars over the next three fiscal years; and
 - B. The State of New Mexico commits, to the extent allowed by law, to provide up to Thirty-five Million Dollars; and
 - C. In the event that the entire funding amount is not needed or not expended, the unneeded or unexpended portion shall be returned to the City, the County, and the State on a pro rata basis.

INTRODUCED, PASSED, ADOPTED, AND APPROVED this 27th day of January 2018.

**BOARD OF COUNTY COMMISSIONERS
OF EDDY COUNTY, NEW MEXICO**

By: Susan Crockett
Susan Crockett, Commission Chairman

ATTESTED:

Robin Van Natta
Robin Van Natta, County Clerk

