

ORDINANCE NO. 2022- 14

AN ORDINANCE LIFTING THE MORATORIUM ON THE ACCEPTANCE, REVIEW AND ISSUANCE OF ALL BUILDING AND SUBDIVISION PERMITS IN THE AREA KNOWN AS THE I&W BRINE WELL MAIN CAVERN AND PARTIAL SALT REMOVAL AREAS AND REPEALING ORDINANCE 2019-24.

WHEREAS, on July 16, 2008, a brine well owned and operated by Jim's Water Service, BW-005, located on state trust land about 17 miles southeast of Artesia, NM collapsed creating a sinkhole that was approximately 200 feet across initially, doubled in size in less than 24 hours, and continued to grow; and

WHEREAS, in July 2008, the Oil Conversation Division of the New Mexico Energy, Minerals, and Natural Resources Department (OCD) became concerned about the safety of the I&W brine well, BW-006, because it had a similar depth and production history as the Jim's Water Service well; because of the potential size of the cavern created by that operation; because of its location near populated areas including residential, commercial, and industrial uses; and because of its proximity to the intersection of US Highways 62/180 and 285; and

WHEREAS, with those concerns, OCD required I&W to shut in its brine production well; and

WHEREAS, on November 3, 2008, a second brine well, Loco Hills Water Disposal, BW-021, also collapsed creating a sinkhole that was initially approximately 50 feet across and by May 2009 was 290 feet across and 200 feet deep; and

WHEREAS, because of the similarities between the I&W well and the Loco Hills well, concerns about the stability of the I&W brine well were further raised; and

WHEREAS, the I&W brine well site has been intensively investigated and monitored for signs of collapse; and

WHEREAS a 2014 Feasibility Study indicated cavern failure would likely occur at the I&W site between 2023 and 2038, and a refinement of those calculations in late 2014 indicated failure could occur as early as 2021; and

WHEREAS, cavern pressure changes and microseismic data continued to show the probability of cavern collapse is increasing; and

WHEREAS, based upon the investigations and monitoring, OCD has created a map of the Main Cavern and Partial Salt Removal areas related to the I&W location; and

WHEREAS, during the 2018 state legislative session, bills were introduced seeking funding for remediation of the I&W brine well beginning with the development of a design-build request for proposals for remediation services; and

WHEREAS, the New Mexico State Legislature passed, and the Governor of New Mexico signed, bills targeting funding for the repair of the I&W brine well to be combined with funding provided by the City of Carlsbad and Eddy County; and

WHEREAS, with the knowledge that the I&W brine well posed a significant threat and in order to preserve and protect the health, safety and welfare of the inhabitants of the City and to protect their property, and to preserve the peace and order with the City, the Carlsbad City Council wished to have the plan for remediation of the I&W brine well designed before there was further development of those places identified by OCD as the Main Cavern or Partial Salt Removal areas; and

WHEREAS, in order to provide the time necessary to adequately examine the issues and to develop an appropriate remediation process, the City Council wished to place a moratorium on

the acceptance, review, and granting of any and all building and subdivision permits in the area known as the I&W brine well Main Cavern and Partial Salt Removal areas as shown on Exhibit “A”; and

WHEREAS, the repair efforts of the underground cavern referenced as the Main Cavern and Partial Salt Removal areas led by the New Mexico OCD office have reached completion, and the surface property has been deemed safe to reoccupy by the OCD; and

WHEREAS, the local owners of surface property within the area defined as the Main Cavern and Partial Salt Removal areas wish to reoccupy and continue with development of this area.

**NOW THEREFORE**, be it ordained by the Governing Body of the City of Carlsbad, County of Eddy, State of New Mexico, that:

1. Ordinance 2017-07 and Ordinance 2019-24, ordinances creating and extending indefinitely the moratorium placed upon the acceptance, processing, or approval of any permit application made for a building permit or subdivision for property within the Main Cavern and/or Partial Salt Removal areas as shown on Exhibit “A” shall be repealed; and
4. Hereby, the moratorium placed upon the acceptance, processing, or approval of any permit application made for a building permit or subdivision for property within the Main Cavern and/or Partial Salt Removal areas as shown on Exhibit “A” shall be lifted.

INTRODUCED, PASSED, ADOPTED AND APPROVED this 13th day of December, 2022.

/s/Dale Janway  
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DALE JANWAY, MAYOR

ATTEST:

/s/Nadine Mireles  
CITY CLERK

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