



## C-108 APPLICATION FOR AUTHORIZATION TO INJECT ADMINISTRATIVE COMPLETENESS FORM

**Well Name:** \_\_\_\_\_

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

**Action ID:** \_\_\_\_\_

**Admin. App. No:** \_\_\_\_\_

C-108 Item	Description of Required Content	Yes	No
<b>I. PURPOSE</b>	Selection of proper application type.		
<b>II. OPERATOR</b>	Name; address; contact information.		
<b>III. WELL DATA</b>	Well name and number; STR location; footage location within section.		
	Each casing string to be used, including size, setting depth, sacks of cement, hole size, top of cement, and basis for determining top of cement.		
	Description of tubing to be used including size, lining material, and setting depth.		
	Name, model, and setting depth of packer to be used, or description of other seal system or assembly to be used.		
	Well diagram: Existing (if applicable).		
	Well diagram: Proposed (either Applicant's template or Division's Injection Well Data Sheet).		
<b>IV. EXISTING PROJECT</b>	For an expansion of existing well, Division order number authorizing existing well (if applicable).		
<b>V. LEASE AND WELL MAP</b>	AOR map identifying all wells and leases within 2 mile radius of proposed well, and depicting a 1/2 mile radius circle around any another projected injection well and a 1 mile radius circle around any other projected injection well in the Devonian formation.		
<b>VI. AOR WELLS</b>	Tabulation of data for all wells of public record within AOR which penetrate the proposed injection zone, including well type, construction, date drilled, location, depth, and record of completion.		
	Schematic of each plugged well within AOR showing all plugging detail.		
<b>VII. PROPOSED OPERATION</b>	Proposed average and maximum daily rate and volume of fluids to be injected.		
	Statement that the system is open or closed.		
	Proposed average and maximum injection pressure.		
	Sources and analysis of injection fluid, and compatibility with receiving formation if injection fluid is not produced water.		
	A chemical analysis of the disposal zone formation water if the injection is for disposal and oil or gas is not produced or cannot be produced from the formation within 1 mile of proposed well. Chemical analysis may be based on sample, existing literature, studies, or nearby well.		
<b>VIII. GEOLOGIC DATA</b>	Proposed injection interval, including appropriate lithologic detail, geologic name, thickness, and depth.		
	USDW of all aquifers overlying the proposed injection interval, including geologic name and depth to bottom.		
	USDW of all aquifers underlying the proposed injection interval, including the geologic name and depth to bottom.		



## C-108 (SWD) APPLICATION FOR AUTHORIZATION TO INJECT ADMINISTRATIVE COMPLETENESS FORM

Well Name: \_\_\_\_\_

Applicant: \_\_\_\_\_

Action ID: \_\_\_\_\_

Admin. App. No: \_\_\_\_\_

C-108 Item	Description of Required Content	Yes	No
<b>IX. PROPOSED STIMULATION</b>	Description of stimulation process or statement that none will be conducted.		
<b>X. LOGS/WELL TESTS</b>	Appropriate logging and test data on the proposed well or identification of well logs already filed with OCD.		
<b>XI. FRESH WATER</b>	Chemical analysis of fresh water from two or more fresh water wells (if available and producing) within 1 mile of the proposed well, including location and sampling date(s).		
<b>XII. AFFIRMATION STATEMENT</b>	Statement of qualified person endorsing the application, including name, title, and qualifications.		
<b>XIII. PROOF OF NOTICE</b>	Identify of all "affected persons" identified on AOR map in Section V, including all affected persons within 1/2 mile radius circle around any another projected injection well and a 1 mile radius circle around any other projected injection well in the Devonian formation.		
	Identification and notification of all surface owners.		
	BLM and/or NMSLO notified per 19.15.2.7(A)(8)(d) NMAC.		
	Notice of publication in local newspaper in county where proposed well is located with the following specific content:		
	<ul style="list-style-type: none"> <li>Name, address, phone number, and contact party for Applicant;</li> </ul>		
	<ul style="list-style-type: none"> <li>Intended purpose of proposed injection well, including exact location of a single well, or the section, township, and range location of multiple wells;</li> </ul>		
	<ul style="list-style-type: none"> <li>Formation name and depth, and expected maximum injection rates and pressures; and</li> </ul>		
<b>XIV. CERTIFICATION</b>	Signature by operator or designated agent, including date and contact information.		

Review Date\*:

Reviewer:

☐ Administratively COMPLETE

☐ Administratively INCOMPLETE

NOTES:

\* The Review Date is the date of administrative completeness determination that commences the 15 day protest period in 19.15.26.8 (C)(2) NMAC.

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Applicant:** Spur Energy Partners, LLC **OGRID Number:** 328947  
**Well Name:** Loco Hills 35 SWD No.2 **API:** 30-015-37268  
**Pool:** SWD; Wolfcamp **Pool Code:** 96135

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW**

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]  
 A. Location – Spacing Unit – Simultaneous Dedication  
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD  
 B. Check one only for [ I ] or [ II ]  
 [ I ] Commingling – Storage – Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM  
 [ II ] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery  
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.  
 A. ☒ Offset operators or lease holders  
 B. ☐ Royalty, overriding royalty owners, revenue owners  
 C. ☒ Application requires published notice  
 D. ☒ Notification and/or concurrent approval by SLO  
 E. ☒ Notification and/or concurrent approval by BLM  
 F. ☒ Surface owner  
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,  
 H. ☐ No notice required

**FOR OCD ONLY**

- ☐ Notice Complete  
☐ Application Content Complete

- 3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Ben Stone

Print or Type Name

Signature

2/09/2021

Date

903-488-9850

Phone Number

ben@sosconsulting.us

e-mail Address



February 7, 2022

New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Attn: Ms. Adriene Sandoval, Director

*Re: Application of Spur Energy Partners, LLC to reinstate and otherwise permit for salt water disposal its Loco Hills 35 SWD Well No.2, located in Section 35 Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico.*

Dear Ms. Sandoval,

Please find the enclosed form C-108 Application for Authority to Inject, supporting the above-referenced request to permit for disposal the Loco Hills 35 SWD No.2. The well was previously authorized by another operator for salt water disposal by division order SWD-1177. The subject well is one of hundreds acquired in the last few years and the previous operator had let this well go inactive. By reinstating the SWD, the applicant's area production and leases will remain economic. The well will only take Spur's water from area operations.

Spur Energy Partners, LLC seeks to optimize efficiency, both economically and operationally, of all its operations in southeast New Mexico. Approval of this application is consistent with that goal as well as the NMOCDD's mission of preventing waste and protection of correlative rights.

Published legal notice ran in the February 3, 2022, edition of the Artesia Daily Press and offset operators and other affected parties have been notified individually. All required information and attachments are included for a complete Form C-108. The well is located on BLM land and minerals.

I respectfully request that the approval of this salt water disposal well proceed swiftly and if you or your staff requires additional information or has any questions, please do not hesitate to call or email me.

Best regards,

A handwritten signature in blue ink, appearing to read "Ben Stone", is written over a light blue horizontal line.

Ben Stone, Partner  
SOS Consulting, LLC  
Agent for Spur Energy Partners, LLC

Cc: Application attachment and file

Cc: Application File



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL  
RESOURCES DEPARTMENT

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

FORM C-108  
Revised June 10, 2003

**APPLICATION FOR AUTHORIZATION TO INJECT**

- I. PURPOSE: ***SWD Reinstatement*** and the application ***qualifies*** for administrative approval.
- II. OPERATOR: ***Spur Energy Partners, LLC (Ogrid – 328947)***  
ADDRESS: ***9655 Katy Freeway, Ste.500, Houston, Texas 77024***  
  
CONTACT PARTY: ***Sarah Chapman, Spur Regulatory Director (832) 930-8502***  
***Agent: SOS Consulting, LLC – Ben Stone (903) 488-9850***
- III. WELL DATA: ***All well data and applicable wellbore diagrams are ATTACHED hereto.***
- IV. ***This is not an expansion of an existing project.***
- V. ***A map is ATTACHED*** that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- \*VI. ***A tabulation is ATTACHED*** of data on all wells of public record within the area of review which penetrate the proposed injection zone. ***(3 AOR wells penetrate the subject interval – 1 P&A penetrates.)*** The data includes a description of each well's type, construction, date drilled, location, depth, and a schematic of any plugged well illustrating all plugging detail.
- VII. ***The following data is ATTACHED*** on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
  2. Whether the system is open or closed;
  3. Proposed average and maximum injection pressure;
  4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
  5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- \*VIII. ***Appropriate geologic data on the injection zone is ATTACHED*** including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. ***The well may be acidized to clean perforations and formation w/ approximately 7500 gals 15% HCl.***
- \*X. ***There is no applicable test data on the well however, any previous well logs have been filed with the Division and they need not be resubmitted. An offsetting well log strip of subject interval is ATTACHED.***
- \*XI. ***State Engineer's records indicate there are NO water wells within one mile the proposed SWD.***
- XII. ***An affirmative statement is ATTACHED that available geologic and engineering data has been examined and no evidence was found*** of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. ***"Proof of Notice" section on the next page of this form has been completed and ATTACHED.***  
***There are 6 offset operators or lessees plus state and federal minerals within one mile - all have been noticed.***
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: ***Ben Stone*** TITLE: ***SOS Consulting, LLC agent / consultant for Spur Energy Partners, LLC***

SIGNATURE:  DATE: ***2/09/2022***

E-MAIL ADDRESS: ***ben@sosconsulting.us***

- \* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal:

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

**Page 2****III. WELL DATA – *The following information and data is included and ATTACHED:***

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

**XIV. PROOF OF NOTICE *pursuant to the following criteria is ATTACHED.***

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

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NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

RECEIVED

FEB 12 2009

NMOCD ARTESIA

Form C-102

Revised October 12, 2005

## DISTRICT I

1625 N French Dr., Hobbs, NM 88240

## DISTRICT II

1301 W. Grand Avenue, Artesia, NM 88210

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

## DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <b>30-015-37268</b>	Pool Code <b>96135</b>	Pool Name <b>SWD; Wolfcamp</b>
Property Code <b>37467</b>	Property Name <b>LOCO HILLS SWD</b>	Well Number <b>2-35</b>
OGRID No. <b>229137</b>	Operator Name <b>C.O.G. OPERATING L.L.C.</b>	Elevation <b>3588'</b>

## Surface Location

UL or lot No	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	17 S	30 E		840	SOUTH	2310	WEST	EDDY

## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres <b>N/A</b>	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <u>Robyn Odom</u> Date: <u>5/15/2009</u> Printed Name: <u>Robyn Odom</u>
	<b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date Surveyed: <u>FEBRUARY 19, 2009</u> Signature & Seal of Professional Surveyor: <u>[Signature]</u> W.C. <u>1127</u> Certificate No. <u>Gary L. Jones 7977</u> BASIN SURVEYS

## **C-108 - Items III, IV, V**

### **Item III - Subject Well Data**

Wellbore Diagram – PROPOSED

### **Item IV – Tabulation of AOR Wells**

6 Wells Penetrate the Proposed Injection Interval, 2 P&A'd, Schematics Attached

### **Item V – Area of Review Maps**

1. Two Mile AOR Map with One-Mile Fresh Water Well Radius
2. One-Half Mile AOR Map

All Above Exhibits follow this page.

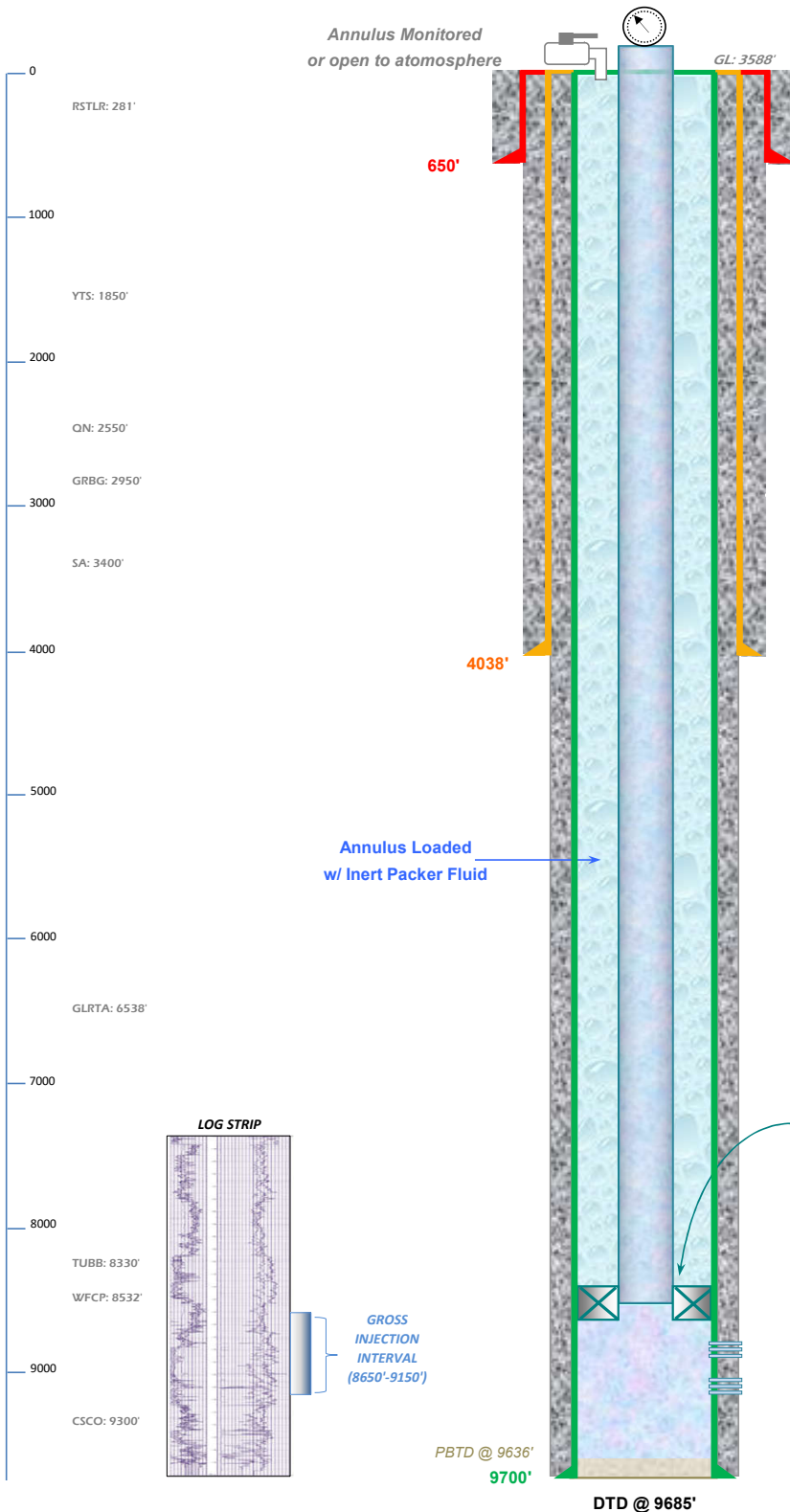


# WELL SCHEMATIC - CURRENT / PROPOSED Loco Hills 35 SWD Well No.2

API 30-015-37268

840' FSL & 2310' FWL, SEC. 35-T17S-R30E  
EDDY COUNTY, NEW MEXICO

SWD; Wolfcamp (96135)

Spud Date: 10/12/2009  
Config SWD Dt (Est): ~1/15/2022

Injection Pressure Regulated  
and Volumes Reported  
1730 psi Max. Surface (0.2 psi/ft)

**Surface Casing**

13.375", 48.0/ 54.5# H-40/ J-55 STC Csg. (17.5" Hole) @ 650'  
1010 sx - Circulated 100 sx to Surface

**SPUR ENERGY PARTNERS, LLC****Reinstate SWD Status:**

**NOTE: GROSS INTERVAL LONGER THAN EXISTING PERFS.**  
SEP, LLC may opt to shoot additional perfs within zone.

RIH w/ TBG (new or test into hole)

Set PKR @ 8712' + (Within 100' of uppermost perf)

Conduct Witnessed MIT.

Commence Disposal Operations.

**Intermediate Casing**

9.625", 36.0 & 40.0# J-55 Csg. (12.25" Hole) @ 4038'  
2870 sx - Circulated 157 sx to Surface

**3.5" IC Tubing (or smaller)**

PKR ~8712' + (with current perf intervals)

Note: PKR Set 100' Above Final Uppermost Perf Interval.

**Production Casing**

7.0", 17.0 & 26.0# L-80 Csg. (8.75" Hole) @ 9700';  
w/ 1st: 475 sx (DV ~7000') 2nd: 750 sx  
108 sx Circulated to Surface

Wolfcamp Reef Perfs - 8812 feet to 9092 feet

Drawn by: Ben Stone, 2/04/2022



## Form C-108 Item VI - Tabulation of AOR Wells

Top of Proposed WOLFCAMP Interval 8650'

3 Wells Penetrate Proposed Interval.

API No.	Current Operator	Well Name	Well Number	Type	Lease	Status	ULSTR	Depth	Plugged On
<u>Subject Well</u>									
30-015-37268	[328947] Spur Energy Partners LLC	LOCO HILLS SWD 35	#002	SWD	Federal	Active	N-35-17S-30E	9685'	

Section 35 Wells

30-015-24430	[372098] MARATHON OIL PERMIAN LLC	ATALAYA FEDERAL	#001	Oil	Federal	P&A-R	L-35-17S-30E	11600'	10/14/2019
									P&A DIAGRAM INCLUDED...
30-015-31063	[155615] NADEL AND GUSSMAN PERMIAN, LLC	ATALAYA FEDERAL	#003	Oil	Federal	P&A-R	M-35-17S-30E	4000'	8/10/2014
									DOES NOT PENETRATE
30-015-27851	[7377] EOG RESOURCES INC	CEDAR LAKE 35 FEDERAL COM	#002	Gas	Federal	Active	P-35-17S-30E	11600'	
Well completed as STRAWN gas producer w/ perfs 10,425'-10,445'; 5.5" csg set 11,515' w/ 1380 sx, Circ.; 8.625" csg set 4497 w/ 1300 sx, Circ.									

Section 2 Wells (18S)

30-015-20476	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#001	Oil	State	P&A-R	A-2-18S-30E	3467'	1/1/1900
									DOES NOT PENETRATE
30-015-27285	[14744] MEWBOURNE OIL CO	CEDARS BREAKS 2 STATE	#002	Oil	State	Active	A-2-18S-30E	11445'	
Well completed as BONE SPRING producer (orig. Strawn zone abn'd) w/ perfs 6805'-6974'; 5.5" csg set 11,490' w/ 2525 sx, Circ.; 9.625" csg set 3615' w/ 1900 sx, Circ.									
30-015-24299	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#001	Oil	State	P&A-R	D-2-18S-30E	3750'	12/10/1982
									DOES NOT PENETRATE

Summary: 6 Wells Total in AOR - 3 Wells Penetrate Subject Interval; 1 is P&amp;A'd



## **C-108 ITEM VI**

### AOR Well Information

### **Plugged Well Schematics**

There is 1 P&A'd Well Within the AOR Which  
Penetrates the Proposed Injection Zone.

### **30-015-24430 ATALAYA FEDERAL #001**

*(Plugged by Marathon Oil Company)*

*Well Diagram and Sundry follow this page...*



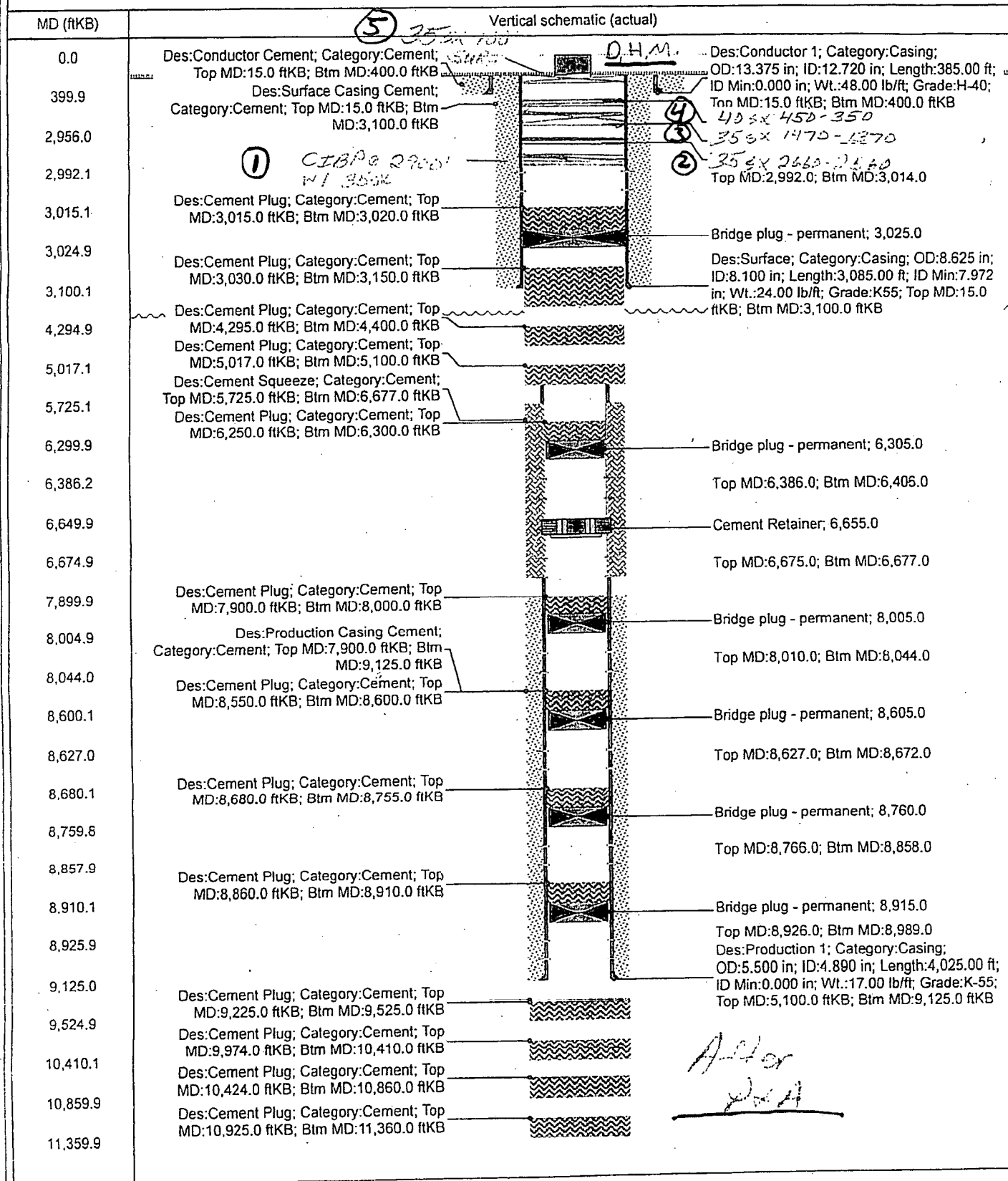


# Wellbore Schematic

## Well Name: ATALAYA FEDERAL 1

State/Province NEW MEXICO	Country UNITED STATES	Field Name GRAYBURG JACKSON	Latitude (°) 32.78910100	Longitude (°) -103.94849400	North/South Distance (ft) 1,980.0	North/South Reference FSL
API I/O UWI	KB-Ground Distance (ft)	KB-Mud Line Distance (ft)	Ground Elevation (ft)	Drilling Rig Spud Date	Well Original Completion Date	Well First Production Date

ATALAYA FEDERAL 1, 6/24/2019 4:56:59 PM



Form 3160-5  
(June 2015)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED  
OMB NO. 1004-0137  
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.  
NMMN0558580

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.  
ATALAYA FEDERAL 12. Name of Operator  
MARATHON OIL PERMIAN LLCContact: ADRIAN COVARRUBIAS  
E-Mail: ADRIAN.COVARRUBIAS@ARCADIS.COM9. API Well No.  
30-015-24430-00-S13a. Address  
5555 SAN FELIPE ST  
HOUSTON, TX 770563b. Phone No. (include area code)  
Ph: 806752615310. Field and Pool or Exploratory Area  
BONE SPRINGS

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 35 T17S R30E NWSW 1980FSL 660FWL

11. County or Parish, State  
EDDY COUNTY, NM**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Marathon has successfully abandoned this well as per the following time line:

GC 11/6/19  
Accepted for record - NMOCDRECLAMATION PROCEDURE  
ATTACHED

10/07/2019: MIRU

10/08/2019: Pressure test TBG to 500 PSI - good test. Unseat pump. Circulate clean fluid.

10/09/2019: Jim Amos and David Mervine (BLM) gave permission to change procedure. Plan to spot a plug from 50' below perfs to 50' above perfs and tag. Informed BLM of a permanent bridge plug set at 3,025'.

10/10/2019: Attempt to circulate clean fluid.

10/11/2019: Continue to circulate clean fluid. NU BOPE.

10/12/2019: Spot 150 SKS Class C T/2,496' WOC. Tag TOC at 2,507'. Test casing to 500 PSI - good test.

10/13/2019: Tag TOC at 2,507'. Spot 40 SKS Class C F/1,483' T/1,335' WOC.

RECLAMATION  
DUE 4-14-'20'NM OIL CONSERVATION  
ARTESIA DISTRICT

NOV 04 2019

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #488903 verified by the BLM Well Information System  
For MARATHON OIL PERMIAN LLC, sent to the Carlsbad  
Committed to AFMSS for processing by PRISCILLA PEREZ on 10/21/2019 (19PP2570SE)

RECEIVED

Name (Printed/Typed) ADRIAN COVARRUBIAS

Title ENVIRONMENTAL ENGINEER

Signature (Electronic Submission)

Date 10/21/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

OCT 22 2019

Approved By

Title

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

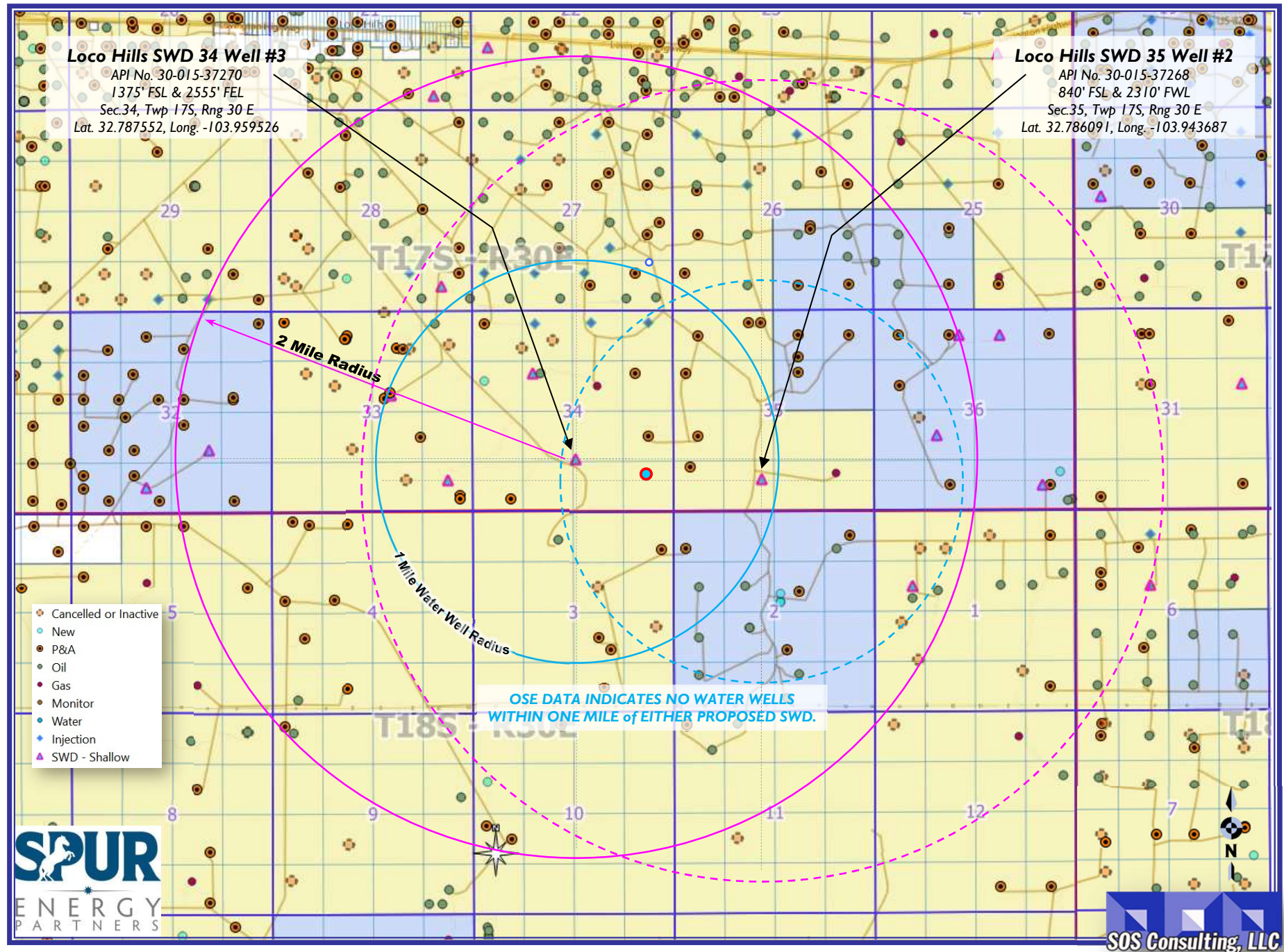
(Instructions on page 2)

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*



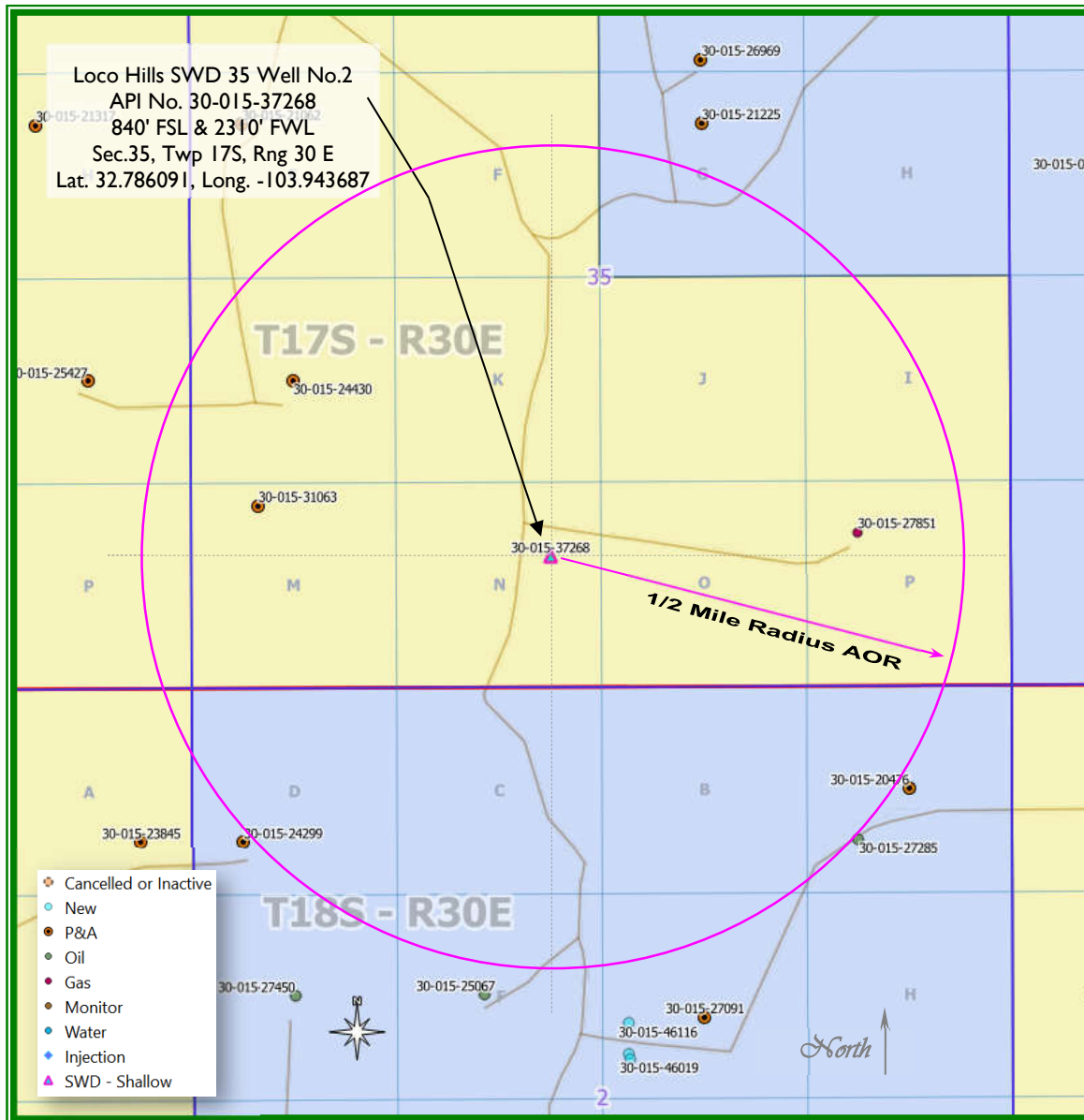
# Loco Hills 34 SWD #3 and 35 SWD #2 - Area of Review / 2 Miles

(Attachment to NMOCD Form C-I08 - Item V)

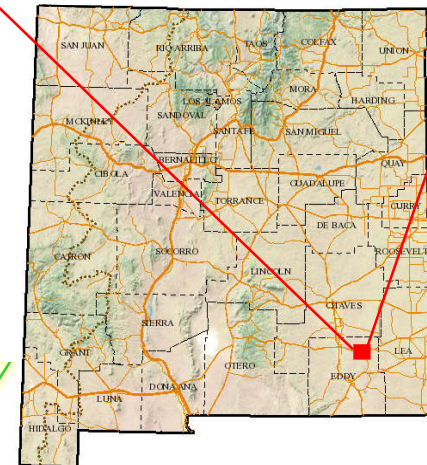
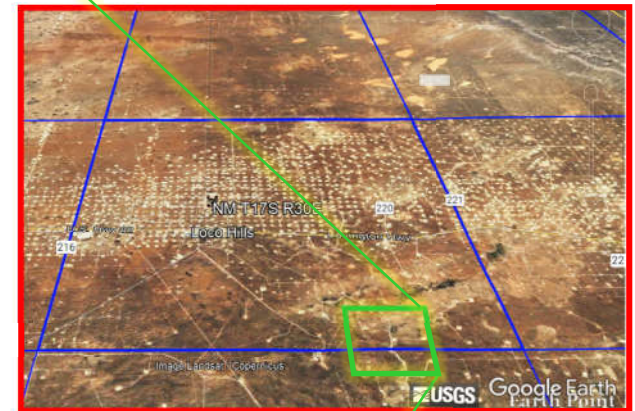


# Loco Hills SWD 35 Well No.2 - Area of Review / Overview Map

(Attachment to NMOCD Form C-108 - Item V)



~3.3 miles Southeast  
of Loco Hills, NM



Eddy County, New Mexico

**SPUR**  
ENERGY  
PARTNERS

**SOS Consulting, LLC**

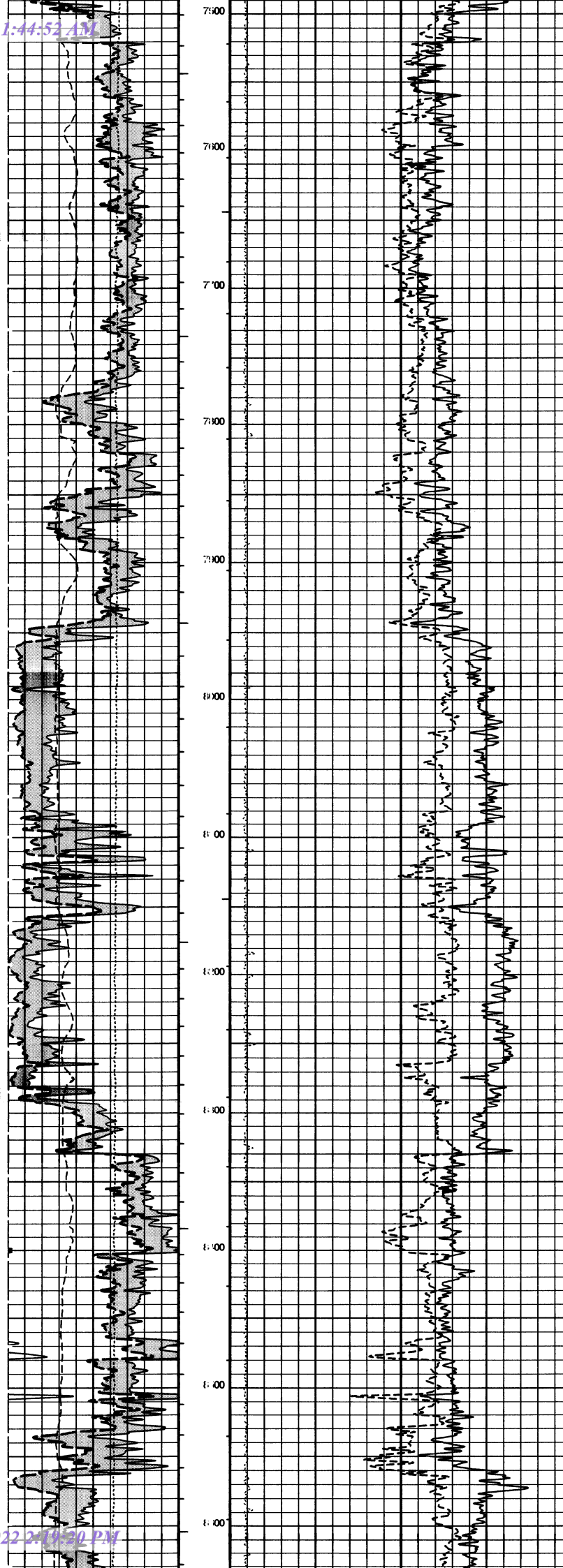
## **C-108 ITEM X – LOGS and AVAILABLE TEST DATA**

A Log Strip from the Subject Well Covering  
the Zone of Interest with Annotations is Attached.

**LOG STRIP FOLLOWS**



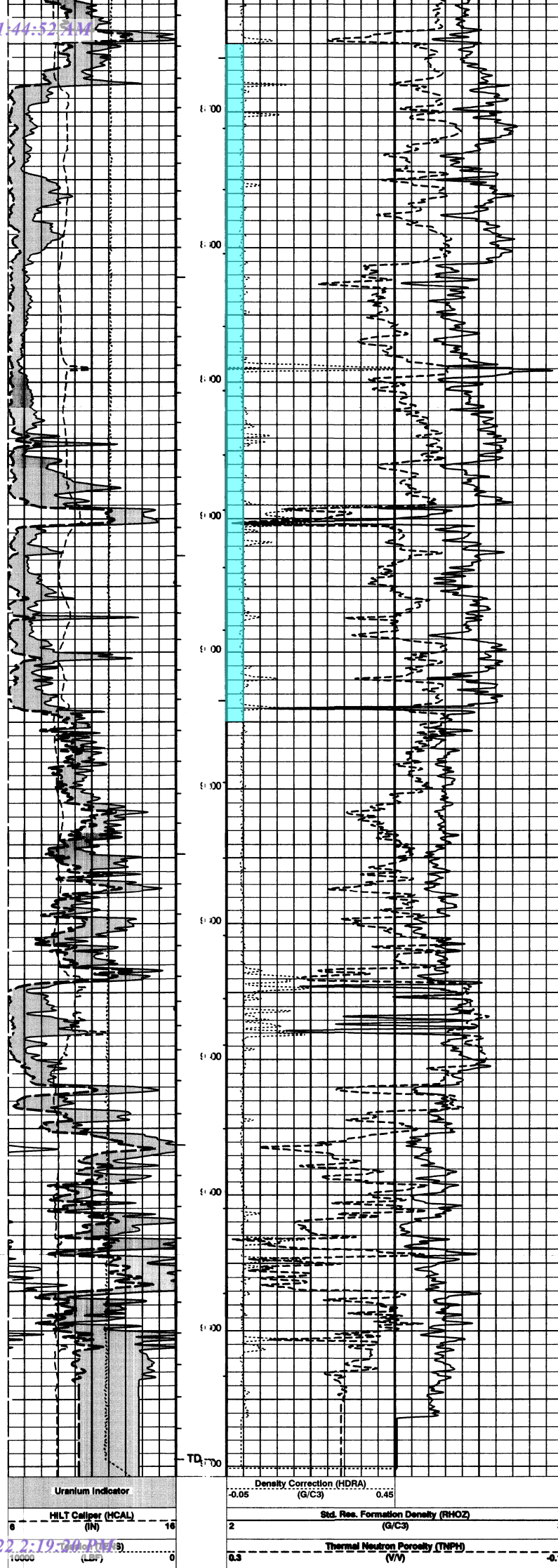
<b>COMPANY:</b> COG Operating, LLC WELL: Loco Hills SWD #2 FIELD: SWD: Wolfcamp County: Eddy State: New Mexico					
<b>Platform Express</b> <b>Three Detector Litho-Density</b> <b>Regenerated Neutron/HNGS</b>					
LOCATION 840' FSL & 2310' FWL Permanent Datum: Log Measured From: Drilling Measured From: Kelly Bushing		RECEIVED FEB 12 2009 NMGS BY JAMES ESIA Elev.: K.B. 3603 ft G.L. 3666 ft D.F. 3602 ft ✓ Elev.: 3599 ft 15.0 ft above Perm. Datum			
API Serial No. 30-015-37285		Section 35		Township 17S	
Range 30E					
Logging Date Run Number Depth Driller Schlumberger Depth Bottom Log Interval Top Log Interval Casing Driller Size @ Depth Bit Size					
Mud Density Fluid Loss Source Of Sample PM @ Measured Temperature RMF @ Measured Temperature RMC @ Measured Temperature SRT @ Measured Temperature FM @ MRT Maximum Recorded Temperatures Circulation Stopped Logger On Bottom Unit Number Recorded By					
MUD Density Fluid Loss Source Of Sample PM @ Measured Temperature RMF @ Measured Temperature RMC @ Measured Temperature SRT @ Measured Temperature FM @ MRT Maximum Recorded Temperatures Circulation Stopped Logger On Bottom Unit Number Recorded By					
Run 1      Run 2      Run 3      Run 4					
<p align="center"><b>DISCLAIMER</b></p> <p>THE USE OF AND RELIANCE UPON THIS RECORDED DATA BY THE HEREIN NAMED COMPANY (AND ANY OF ITS AFFILIATES, PARTNERS, REPRESENTATIVES, AGENTS, CONSULTANTS AND EMPLOYEES) IS SUBJECT TO THE TERMS AND CONDITIONS AGREED UPON BETWEEN SCHLUMBERGER AND THE COMPANY, INCLUDING: (a) RESTRICTIONS ON USE OF THE RECORDED DATA; (b) DISCLAIMERS AND WAIVERS OF WARRANTIES AND REPRESENTATIONS REGARDING COMPANY'S USE OF AND RELIANCE UPON THE RECORDED DATA; AND (c) CUSTOMER'S FULL AND SOLE RESPONSIBILITY FOR ANY INFERENCE DRAWN OR DECISION MADE IN CONNECTION WITH THE USE OF THIS RECORDED DATA.</p>					
OTHER SERVICES1 OS1: PEX-HRLA-HNGS-BHC OS2: OS3: OS4: OS5:			OTHER SERVICES2 OS1: OS2: OS3: OS4: OS5:		
REMARKS: RUN NUMBER 1 One 0.125" Wear Ring used on HGNS. Two 1.5" Standoffs used on HRLA. Two 1.5" Standoff used on the BHC			REMARKS: RUN NUMBER 2		
Porosity computed on a Limestone Matrix (2.71 g/cc, 47.6us/ft).					
:Log Spliced at 6704' - 6790 6910' - 4922' 5120' - 870' 1100' - 95'					
Operators: KP & Dean Finch Rig: Basic Rig #34					
SERVICE ORDER #: AVSA-00063 PROGRAM VERSION: 17C0-154 FLUID LEVEL:			SERVICE ORDER #: PROGRAM VERSION: FLUID LEVEL:		
LOGGED INTERVAL		START	STOP	LOGGED INTERVAL	
<b>EQUIPMENT DESCRIPTION</b>					
RUN 1			RUN 2		
<b>SURFACE EQUIPMENT</b> GSR-UJY 91 CNT-B NCB-AB NCS-V8			<b>DOWNHOLE EQUIPMENT</b> LEH-Q LEH-Q 1245 AH-169 DTC-H CH-KO 8101 HNGS-BA 167 HNSH-77		
CTM TelStatus ToolStatus			Upper 1 Lower 2		
89.2 87.0 84.7 82.6 80.3 79.6			82.6		





Top of  
Injection  
Interval  
8650 feet

Bottom of  
Injection  
Interval  
9150 feet



## C-108 ITEM VII – PROPOSED OPERATION

The Loco Hills SWD 35 No.2 SWD will be operated as a private disposal well to service Spur Energy Partners area operations. Source and disposal zone formation waters are compatible (*representative analyses of several zones are included herein*).

*Note: This C-108 application is to reinstate the previous authorization by OCD Order SWD-1177. Spur Energy Partners has acquired hundreds of wells since 2019. As operations are evaluated and assets assessed, this particular SWD had already lost focus by the previous operator. Spur Energy Partners believes reinstatement of this SWD will protect the environment and prevent waste.*

*The cost to dispose of produced water via trucking has become cost prohibitive and if continued, would certainly reduce lease economics and create waste by unnecessary trucking costs including fuel.* The average daily rate of this SWD would eliminate approximately three dozen transport truck trips per day. Reinstating the well to lease disposal will allow the operator to maintain sufficient in-house disposal volume and continue economic viability for their operated wells in the area. The well will not be open for commercial disposal from other operators' leases.

The system will be closed utilizing a small tank battery and injection pump facility on site with flowlines from the serviced wells. The tanks and associated equipment are inside an appropriate lined berm area to contain 150% of the largest tank volume.

Injection pressure will be 1730 psi (0.2 psi/ft) with and maximum rate of 10,000 bwpd. Average daily rate is expected to be 8500 bwpd or less.

Routine maintenance will be ongoing and any releases will be reported within 24 hours to OCD on form C-141 pursuant to various portions of 19.15.29 and 30 NMAC. Remediation would commence immediately upon assessment and planning to include all required documentation and reporting.

The facility will not be manned but will be available for inspections at any time deemed necessary by OCD.

## **C-108 ITEM VII – PRODUCED WATER ANALYSES**

### **Item VII.4 – Water Analysis of Source Zone Water**

Tansil-Yates-Seven Rivers  
Grayburg-San Andres  
Yeso

### **Item VII.5 – Water Analysis of Disposal Zone Water**

Wolfcamp

**Water Analyses follow this page.**

**C-108 Item VII.5 - Produced Water Data**

Spur Energy Partners, LLC - Loco Hills SWD 34 #3 and 35#2

**SOURCE ZONE****ARTESIA GROUP - TNSL-YTS-7RVRS**

<b>API No</b>	3001502891	<b>Lab ID</b>	
<b>Well Name</b>	CAVE POOL UNIT 030	<b>Sample ID</b>	5128
		<b>Sample No</b>	
<b>Location</b>	ULSTR 04 17 S 29 E	<b>Lat / Long</b>	32.85900 -104.07829
	990 S 2310 E	<b>County</b>	Eddy
<b>Operator (when sampled)</b>			
	Field GRAYBURG JACKSON	<b>Unit</b>	O
<b>Sample Date</b>		<b>Analysis Date</b>	
	<b>Sample Source</b> TANK	<b>Depth (if known)</b>	
	<b>Water Typ</b>		
ph		alkalinity_as_caco3_mgL	
ph_temp_F		hardness_as_caco3_mgL	
specificgravity		hardness_mgL	
specificgravity_temp_F		resistivity_ohm_cm	
tds_mgL	227185	resistivity_ohm_cm_temp	
tds_mgL_180C		conductivity	
chloride_mgL	140700	conductivity_temp_F	
sodium_mgL		carbonate_mgL	
calcium_mgL		bicarbonate_mgL	47
iron_mgL		sulfate_mgL	900
barium_mgL		hydroxide_mgL	
magnesium_mgL		h2s_mgL	
potassium_mgL		co2_mgL	
strontium_mgL		o2_mgL	
manganese_mgL		anionremarks	
<b>Remarks</b>			

(Produced water data courtesy of NMT Octane NM WAIDS database.)



**C-108 Item VII.5 - Produced Water Data**

Spur Energy Partners, LLC - Loco Hills SWD 34 #3 and 35#2

**SOURCE ZONE****GRAYBURG-SAN ANDRES**

<b>API No</b>	3001502873	<b>Lab ID</b>	
<b>Well Name</b>	GULF STATE 002	<b>Sample ID</b>	5366
		<b>Sample No</b>	
<b>Location</b>	ULSTR 03 17 S 29 E	<b>Lat / Long</b>	32.86987 -104.06746
	330 N 990 W	<b>County</b>	Eddy
<b>Operator (when sampled)</b>			
	Field SQUARE LAKE	<b>Unit</b>	4
<b>Sample Date</b>		<b>Analysis Date</b>	
	<b>Sample Source</b> WELLHEAD	<b>Depth (if known)</b>	
	<b>Water Typ</b>		
ph		alkalinity_as_caco3_mgL	
ph_temp_F		hardness_as_caco3_mgL	
specificgravity		hardness_mgL	
specificgravity_temp_F		resistivity_ohm_cm	
tds_mgL	109000	resistivity_ohm_cm_temp	
tds_mgL_180C		conductivity	
chloride_mgL	63070	conductivity_temp_F	
sodium_mgL		carbonate_mgL	
calcium_mgL		bicarbonate_mgL	339
iron_mgL		sulfate_mgL	3538
barium_mgL		hydroxide_mgL	
magnesium_mgL		h2s_mgL	
potassium_mgL		co2_mgL	
strontium_mgL		o2_mgL	
manganese_mgL		anionremarks	
<b>Remarks</b>			

(Produced water data courtesy of NMT Octane NM WAIDS database.)



**C-108 Item VII.5 - Produced Water Data**

Spur Energy Partners, LLC - Loco Hills SWD 34 #3 and 35#2

**SOURCE ZONE****YESO**

<b>API No</b>	3001530307	<b>Lab ID</b>	
<b>Well Name</b>	SCHLEY FEDERAL 008	<b>Sample ID</b>	5901
		<b>Sample No</b>	
<b>Location</b>	ULSTR 29 17 S 29 E	<b>Lat / Long</b>	32.80836 -104.09972
	1580 N 1650 W	<b>County</b>	Eddy
<b>Operator (when sampled)</b>	MACK ENERGY		
	Field EMPIRE EAST	<b>Unit</b>	F
<b>Sample Date</b>	8/7/2000	<b>Analysis Date</b>	8/14/2000
	<b>Sample Source</b>	<b>Depth (if known)</b>	
	<b>Water Typ</b>		
ph	7	alkalinity_as_caco3_mgL	
ph_temp_F		hardness_as_caco3_mgL	
specificgravity	1.135	hardness_mgL	
specificgravity_temp_F		resistivity_ohm_cm	
tds_mgL	208172	resistivity_ohm_cm_temp	
tds_mgL_180C		conductivity	
chloride_mgL	140286	conductivity_temp_F	
sodium_mgL	87396.1	carbonate_mgL	0
calcium_mgL	3103.09	bicarbonate_mgL	611.765
iron_mgL	3.405	sulfate_mgL	3456.07
barium_mgL	0.1135	hydroxide_mgL	
magnesium_mgL	817.2	h2s_mgL	79.45
potassium_mgL	545.935	co2_mgL	
strontium_mgL	55.615	o2_mgL	
manganese_mgL		anionremarks	

Remarks

(Produced water data courtesy of NMT Octane NM WAIDS database.)



**C-108 Item VII.5 - Produced Water Data**  
**Spur Energy Partners, LLC - Loco Hills 34 and 35 Project Area**  
**DISPOSAL ZONE**

**WOLFCAMP**

<b>API No.</b>	3001502280	<b>Lab ID</b>	
		<b>Sample ID</b>	5272
<b>Well Name</b>	ANGELL ST 004	<b>Sample No</b>	
<b>Location</b>	ULSTR 21 19 S 28 E 1980 N 1980 E	<b>Lat / Long</b>	32.64772 -104.17854
		<b>County</b>	Eddy
<b>Operator (when sampled)</b>			
	Field MILLMAN EAST	<b>Unit</b>	G
<b>Sample Date</b>		<b>Analysis Date</b>	
	<b>Sample Source</b> WELLHEAD	<b>Depth (if known)</b>	
	<b>Water Type</b>		
ph		alkalinity_as_caco3_mgL	
ph_temp_F		hardness_as_caco3_mgL	
specificgravity		hardness_mgL	
specificgravity_temp_F		resistivity_ohm_cm	
tds_mgL	118720	resistivity_ohm_cm_temp	
tds_mgL_180C		conductivity	
chloride_mgL	70200	conductivity_temp_F	
sodium_mgL		carbonate_mgL	
calcium_mgL		bicarbonate_mgL	2700
iron_mgL		sulfate_mgL	1080
barium_mgL		hydroxide_mgL	
magnesium_mgL		h2s_mgL	
potassium_mgL		co2_mgL	
strontium_mgL		o2_mgL	
manganese_mgL		anionremarks	
<b>Remarks</b>			

(Produced water data courtesy of NMT Octane NM WAIDS database.)





**C-108 Item VII.5 - Produced Water Data**  
**Spur Energy Partners, LLC - Loco Hills 34 and 35 Project Area**  
**DISPOSAL ZONE**

**WOLFCAMP**

<b>API No.</b>	3001503918	<b>Lab ID</b>	
		<b>Sample ID</b>	5325
<b>Well Name</b>	HENSHAW DEEP UNIT 002	<b>Sample No</b>	
<b>Location</b>	ULSTR 24 16 S 30 E 660 S 1980 E	<b>Lat / Long</b>	32.90152 -103.92244
		<b>County</b>	Eddy
<b>Operator (when sampled)</b>			
	Field HENSHAW	<b>Unit</b>	O
<b>Sample Date</b>		<b>Analysis Date</b>	
	Sample Source UNKNOWN	<b>Depth (if known)</b>	
	Water Type		
ph		alkalinity_as_caco3_mgL	
ph_temp_F		hardness_as_caco3_mgL	
specificgravity		hardness_mgL	
specificgravity_temp_F		resistivity_ohm_cm	
tds_mgL	69650	resistivity_ohm_cm_temp	
tds_mgL_180C		conductivity	
chloride_mgL	41500	conductivity_temp_F	
sodium_mgL		carbonate_mgL	
calcium_mgL		bicarbonate_mgL	180
iron_mgL		sulfate_mgL	1410
barium_mgL		hydroxide_mgL	
magnesium_mgL		h2s_mgL	
potassium_mgL		co2_mgL	
strontium_mgL		o2_mgL	
manganese_mgL		anionremarks	
<b>Remarks</b>			

(Produced water data courtesy of NMT Octane NM WAIDS database.)



## **C-108 - Item VIII**

### **Geological Data**

The lower Wolfcamp is a light gray-brown fine to medium crystalline fossiliferous limestone with inter-crystalline vugular porosity interbedded with gray shale. Boundstones occur in the lower transgressive parts of the Wolfcamp reef and offer increased porosity. Additional porosity can be found when the well bore encounters detrital carbonates which were shed off shelf and foreslope areas and transported down the Wolfcamp paleoslope.

The porosity zones in these formations average 3% to 6% but permeability can be fairly high, over 8% or 9% as described.

The overall zone offers reasonable porosity in the proposed injection interval located from 8650 feet to 9150 feet with some very good porosity interspersed throughout the overall interval.

The Wolfcamp is overlain by the Bone Spring and underlain by Penn/Cisco, the Strawn and Atoka. *(Note: in the well file documentation, the original operator identified the 3<sup>rd</sup> Bone Spring as the Tubb but in this narrative, we simply refer to the Bone Spring as the overlying formation.)*

Fresh water in the area is generally available from the Roswell Artesian Basin including carbonate rocks of the San Andres formation. Based on State Engineer's records show average depth to GW for 17S-30E is 80 feet and average well depth for 18S-30E is 320 feet based on 4 wells but not in the one-mile review area.

There are no water wells located within one mile of the proposed SWD.

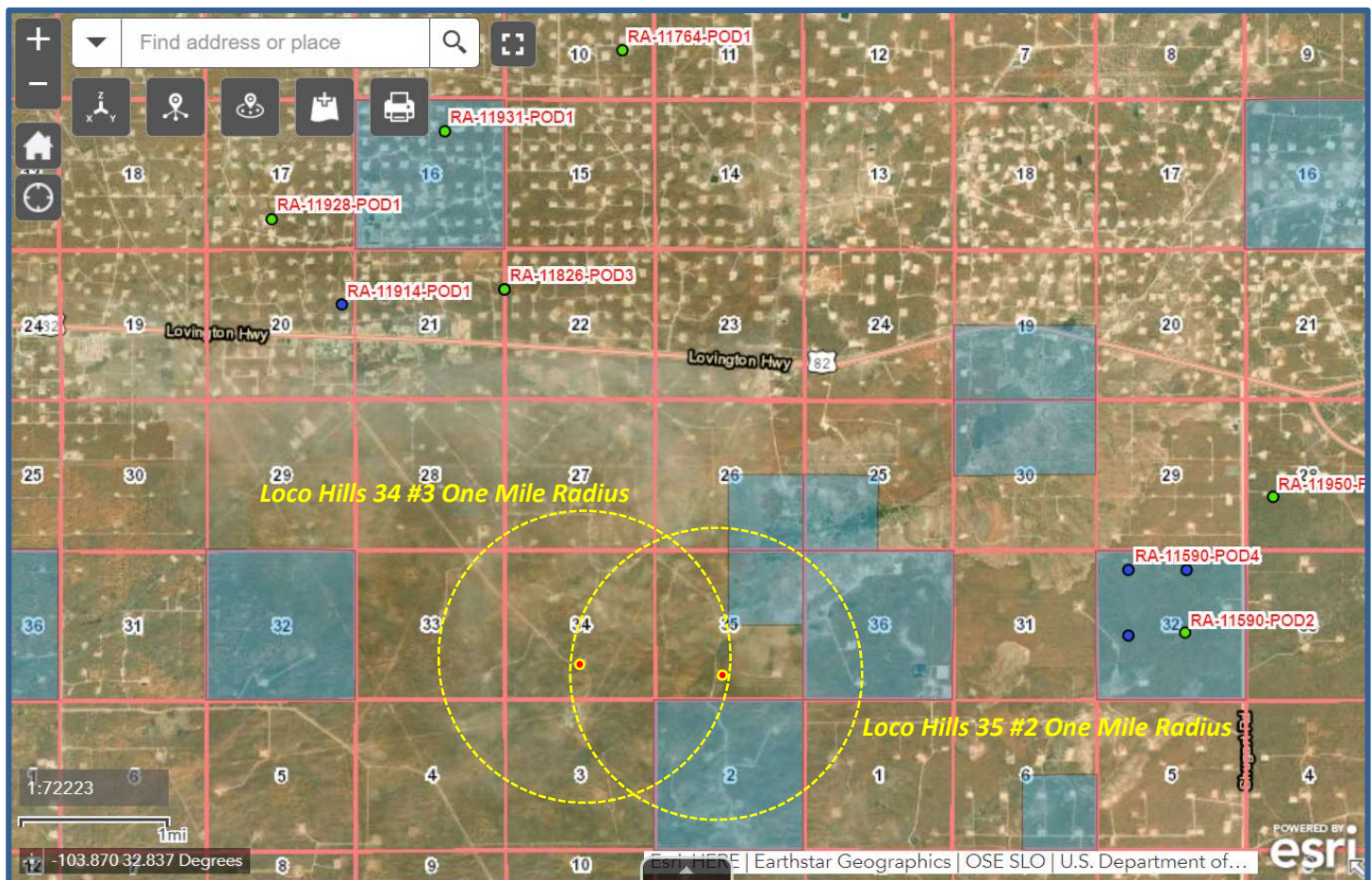
## C-108 Item XI

### Water Wells Within One Mile

#### Loco Hills SWD 34 #3 and 35 #2 - Water Well Locator Map

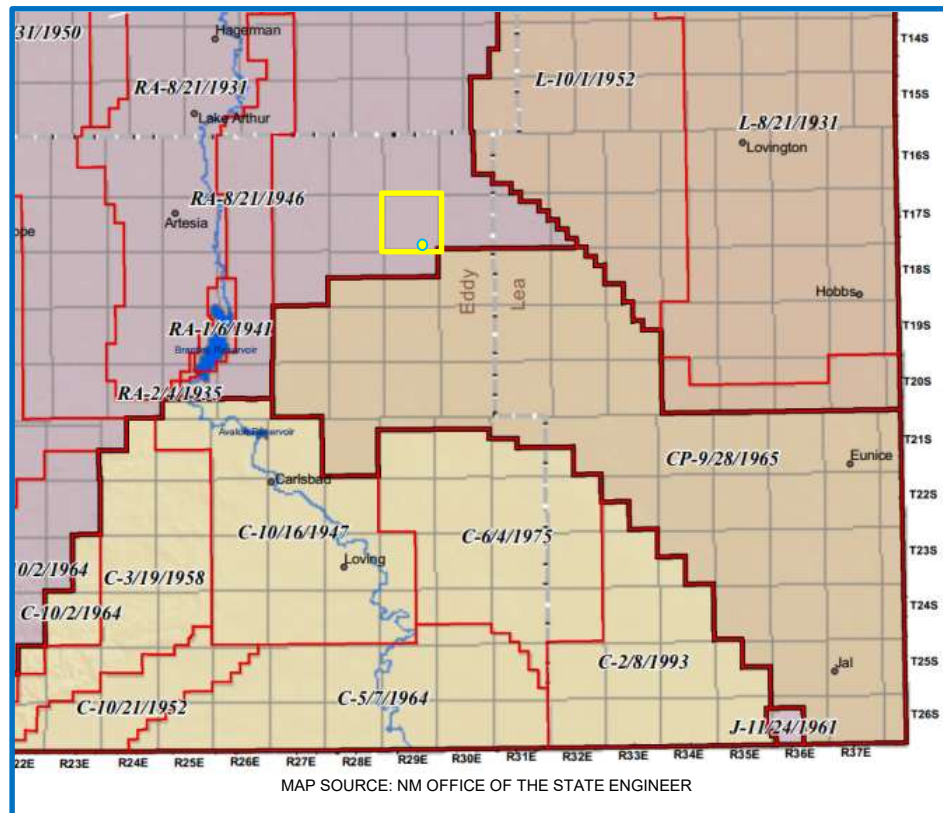
There are NO water wells shown within one mile radius of proposed SWD.  
(As indicated by NM Office of the State Engineer's OSE POD Location GIS application and Point of Diversion database search.)

Average depth to GW for 17S-30E is 80 feet and average well depth for 18S-30E is 320 feet based on 4 wells but not in the one-mile review area. The subject well is located within the Roswell Artesian Basin.



## C-108 - Item XI

### Groundwater Basins - Water Column / Depth to Groundwater



The subject well is located within the Roswell Artesian Basin.

The Roswell Artesian Basin consists of an eastward-dipping carbonate aquifer overlain by a leaky evaporitic confining unit, overlain in turn by an unconfined alluvial aquifer. The carbonate aquifer is artesian to the east but under water-table conditions in the western outcrop area.

Water-producing zones in the carbonate aquifer rise stratigraphically from north to south and from west to east. Some wells may penetrate as many as five water-producing zones. Secondary porosity is developed in vuggy and cavernous limestone, solution-collapse breccia, and solution-enlarged fractures. Recharge occurs by direct infiltration of precipitation and by runoff from intermittent losing streams flowing eastward across a broad area east of the Sacramento Mountains. (USGS)

State Engineer's records show average depth to GW for 17S-30E is 80 feet and average well depth for 18S-30E is 320 feet based on 4 wells but not in the one-mile review area.

There are NO water wells located within one mile of either proposed SWDs.



## **C-108 ITEM XII – GEOLOGIC AFFIRMATION**

We have examined available geologic and engineering data and have found no evidence of open faults or other hydrologic connection between the disposal interval and any underground sources of drinking water.



Ben Stone, Partner  
SOS Consulting, LLC

Project:        Spur Energy Partners, LLC  
                     Loco Hills SWD area 17S-30E  
                     Reviewed 1/26/2022

## **C-108 ITEM XIII – PROOF OF NOTIFICATION**

### IDENTIFICATION AND NOTIFICATION OF AFFECTED PARTIES

#### **Exhibits for Section**

Affected Parties Map

List of Affected Parties

Notification Letter to Affected Parties

Proof of Certified Mailing

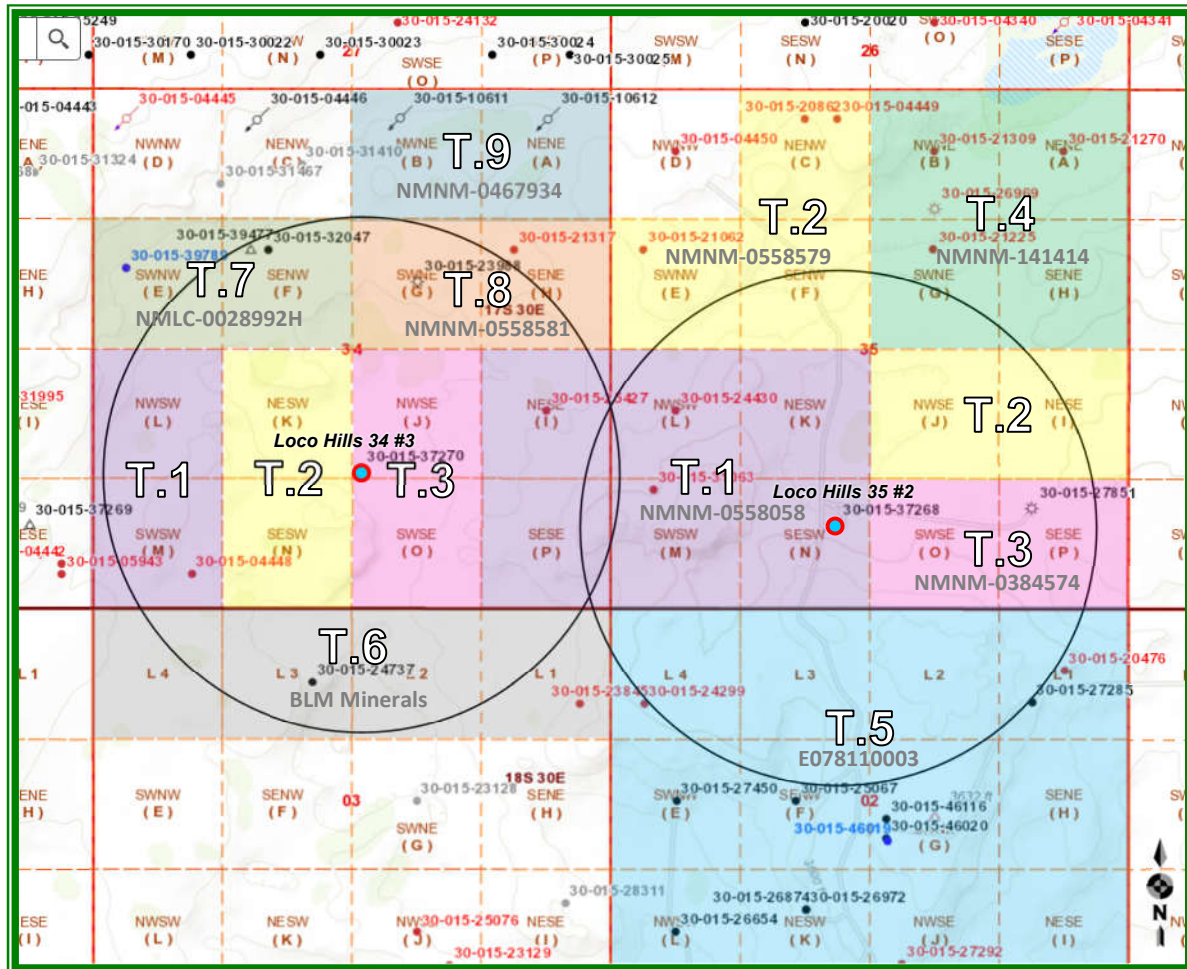
Proof of Return Receipts

Affidavit Published Legal Notice



# Loco Hills 34 #3 & 35 #2 – Affected Parties Plat

(Attachment to NMOCD Form C-108, Application for Authority to Inject.)



## LEGEND

(Note: Leases have active operators except as noted below.)

### Loco Hills 34 #3

T.1, T.2, T.3, T.6,  
T.7, T.8, T.9

- T.1 – BLM – NMNM -0558058; Spur Energy Partners
- T.2 – BLM – NMNM-0558579; ConocoPhillips (Lessee)
- T.3 – BLM – NMNM-0384574; EOG Resources, Inc.
- T.4 – BLM – NMNM -141414; David J. Disiere (Lessee)
- T.5 – State – E078110003; Mewbourne Oil Co.
- T.6 – BLM – All Minerals Owned; EOG Resources, Spur Energy
- T.7 – BLM – NMLC-0028992H; COG Operating, Spur Energy
- T.8 – BLM – NMNM-0558581; Spur Energy Partners
- T.9 – BLM – NMNM-0467934 – Flint Oak Energy, LLC

### Loco Hills 35 #2

T.1, T.2, T.3,  
T.4, T.5, T.6



## C-108 ITEM XIII – PROOF OF NOTIFICATION AFFECTED PARTIES LIST

**ALL AFFECTED PARTIES ARE PROVIDED A NOTICE LETTER VIA US CERTIFIED MAIL AND  
A FULL PRINTED COPY OF THE SUBJECT C-108 APPLICATION VIA FedEx.**

"AFFECTED PERSON" MEANS THE DIVISION DESIGNATED OPERATOR; IN THE ABSENCE OF AN OPERATOR, A LESSEE WHOSE INTEREST IS EVIDENCED BY A WRITTEN CONVEYANCE DOCUMENT EITHER OF RECORD OR KNOWN TO THE APPLICANT AS OF THE DATE THE APPLICANT FILES THE APPLICATION; OR IN THE ABSENCE OF AN OPERATOR OR LESSEE, A MINERAL INTEREST OWNER WHOSE INTEREST IS EVIDENCED BY A WRITTEN CONVEYANCE DOCUMENT EITHER OF RECORD OR KNOWN TO THE APPLICANT AS OF THE DATE THE APPLICANT FILED THE APPLICATION FOR PERMIT TO INJECT.; PER OCD RULES NMAC 19.15.26.7, A. AND 19.15.26.8, B.2.

### SURFACE OWNER

- 1 U.S. DEPARTMENT OF INTERIOR  
Bureau of Land Management  
Oil & Gas Division  
620 E. Greene St.  
Carlsbad, NM 88220  
Certified: 7018 1130 0000 8738 1981

### OFFSET OPERATORS (All Notified via USPS Certified Mail)

#### **BLM Lease NMNM-0558058 (T.1 on Map)**

##### ***Operator***

SPUR ENERGY PARTNERS, LLC (Applicant)  
9655 Katy Freeway, Ste.500  
Houston, Texas 77024

#### **BLM Lease NMNM-0558579 (T.2 on Map)**

##### ***Lessee***

- 2 CONOCO PHILLIPS  
P.O. Box 2197  
Houston, TX 77252-2197  
Certified: 7018 1130 0000 8738 1998

#### **BLM Lease NMNM-0384574 (T.3 on Map)**

##### ***Operator***

- 3 EOG RESOURCES, INC.  
5509 Champions Drive  
Midland, TX 79706  
Certified: 7018 1130 0000 8738 2001

#### **BLM Lease NMNM-141414 (T.4 on Map)**

##### ***Lessee***

- 4 DAVID J. DISIERE  
1227 Wyndham Hill Ln.  
Southlake, TX 76092-9309  
Certified: 7018 1130 0000 8738 2018

#### **State Lease E0-7811-0003 (T.5 on Map)**

##### ***Operator***

- 5 MEWBOURNE OIL COMPANY  
P.O. Box 7698  
Tyler, TX 75711  
Certified: 7018 1130 0000 8738 2025

## **C-108 ITEM XIII – PROOF OF NOTIFICATION AFFECTED PARTIES LIST (Cont.)**

**BLM – All Minerals (T.6 on Map)****Operators**

SPUR ENERGY PARTNERS, LLC (Applicant)  
9655 Katy Freeway, Ste.500  
Houston, Texas 77024

EOG RESOURCES, INC.  
5509 Champions Drive  
Midland, TX 79706

**OFFSET MINERALS OWNERS** (Notified via USPS Certified Mail)

6 STATE OF NEW MEXICO  
Oil, Gas and Minerals Division  
310 Old Santa Fe Trail  
Santa Fe, NM 87504  
Certified: 7018 1130 0000 8738 2032

U.S. DEPARTMENT OF INTERIOR  
Bureau of Land Management  
Oil & Gas Division  
620 E. Greene St.  
Carlsbad, NM 88220

**REGULATORY**

NEW MEXICO OIL CONSERVATION DIVISION  
1220 S. St. Francis Dr.  
Santa Fe, NM 87505  
**FILED VIA OCD ONLINE E-PERMITTING**

NEW MEXICO OIL CONSERVATION DIVISION  
811 South First St.  
Artesia, NM 88210

STATE OF NEW MEXICO  
Oil, Gas and Minerals Division  
310 Old Santa Fe Trail  
Santa Fe, NM 87504

SPUR LOCO HILLS 35#2  
USPS Tracking

7018 1130 0000 8738 1981, 7018 1130 0000 8738 1998,  
7018 1130 0000 8738 2001, 7018 1130 0000 8738 2018,  
7018 1130 0000 8738 2025, 7018 1130 0000 8738 2032



February 1, 2022

**NOTIFICATION TO INTERESTED PARTIES**  
**via U.S. Certified Mail – Return Receipt Requested**

To Whom It May Concern:

Spur Energy Partners, Houston, Texas, has made application to the New Mexico Oil Conservation Division to reinstate for salt water disposal its Loco Hills SWD 35 Well No.2. The previously authorized SWD operation will be for private water disposal from Spur's area operations. As indicated in the notice below, the well is located in Section 35, Township 17 South, Range 30 East in Eddy County, New Mexico.

The published notice states that the interval will be from 8,650 feet to 9,150 feet into the Cisco formation.

Following is the notice published in the Artesia Daily Press, Artesia, New Mexico on or about February 2, 2022.

**LEGAL NOTICE**

Spur Energy Partners, LLC, 9655 Katy Freeway, Ste.500, Houston, TX 77024, is filing Form C-108 (Application for Authority to Inject) with the New Mexico Oil Conservation Division seeking administrative approval to reinstate a salt water disposal well. The subject well, the Loco Hills 35 SWD #2 [Federal], API No.30-015-37268, is located 840' FSL and 2310' FWL, (UL 'N') Section 35, Township 17 South, Range 30 East, Eddy County, New Mexico. Produced water from Spur's area production will be privately disposed (not open to commercial disposal) into the Wolfcamp Reef formation at depths of 8650' to 9150' at a maximum surface pressure of 1730 psi, maximum daily rate of 10,000 bwpd and an average rate of 8500 bwpd. The subject SWD well is located approximately 3.3 miles southeast of Loco Hills, NM.

Interested parties wishing to object to the proposed application must file with the New Mexico Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, NM 87505, (505) 476-3460 within 15 days of the date of this notice. Additional information may be obtained from the applicant's agent, SOS Consulting, LLC, (903) 488-9850 or, email [info@sosconsulting.us](mailto:info@sosconsulting.us).

***You have been identified as a party who may be interested as an offset lessee or operator.***

You are entitled to a full copy of the application. A full printed copy will be sent via FedEx when the C-108 is completed in a few days.

Thank you for your attention in this matter.

Best regards,

A handwritten signature in blue ink, appearing to read "Ben Stone", is written over a light blue horizontal line.

Ben Stone, SOS Consulting, LLC  
Agent for Spur Energy Partners, LLC

Cc: Application File

**C-108 - Item XIV**

## Proof of Notice (Certified Mail Receipts)

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 PS F 310 Old Santa Fe Trail  
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Mewbourne Oil Co.

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FAQs

**Affidavit of Publication**

No. 26017

State of New Mexico Publisher

County of Eddy:

**Danny Scott**

being duly sworn says that he is the Publisher  
of the Artesia Daily Press, a daily newspaper of General  
circulation, published in English at Artesia, said county  
and state, and that the hereto attached

**Legal Ad**

was published in a regular and entire issue of the said  
Artesia Daily Press, a daily newspaper duly qualified  
for that purpose within the meaning of Chapter 167 of  
the 1937 Session Laws of the state of New Mexico for

1 Consecutive weeks/day on the same  
day as follows:

First Publication February 3, 2022

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Sixth Publication

Seventh Publication

Subscribed and sworn before me this

3rd day of February 2022



OFFICIAL SEAL  
Latisha Romine  
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires:

5/12/2023

Latisha Romine

Notary Public, Eddy County, New Mexico

**Copy of Publication:****Legal Notice**

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Published in the Artesia Daily Press, Artesia, N.M., Feb. 3  
2022 Legal No. 26017.

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Form C-102

Revised October 12, 2005

## DISTRICT I

1625 N French Dr., Hobbs, NM 88240

## DISTRICT II

1301 W. Grand Avenue, Artesia, NM 88210

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

## DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <b>30-015-37268</b>	Pool Code <b>96135</b>	Pool Name <b>SWD; Wolfcamp</b>
Property Code <b>37467</b>	Property Name <b>LOCO HILLS SWD</b>	Well Number <b>2-35</b>
OGRID No. <b>229137</b>	Operator Name <b>C.O.G. OPERATING L.L.C.</b>	Elevation <b>3588'</b>

## Surface Location

UL or lot No	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	35	17 S	30 E		840	SOUTH	2310	WEST	EDDY

## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres <b>N/A</b>	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  Signature _____ Date <b>5/15/2009</b> Robyn Odom Printed Name _____
	<b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. <b>FEBRUARY 19, 2009</b> Date Surveyed _____ Signature & Seal of Professional Surveyor  W.C. _____ 1127 Certificate No. Gary L. Jones 7977 <b>BASIN SURVEYS</b>
	<b>SURFACE LOCATION</b> LAT.: N 32°47'09.67" LONG.: W103°56'37.25" SPC- N: 649906.6 E.: 661083.9 (NAD-83)



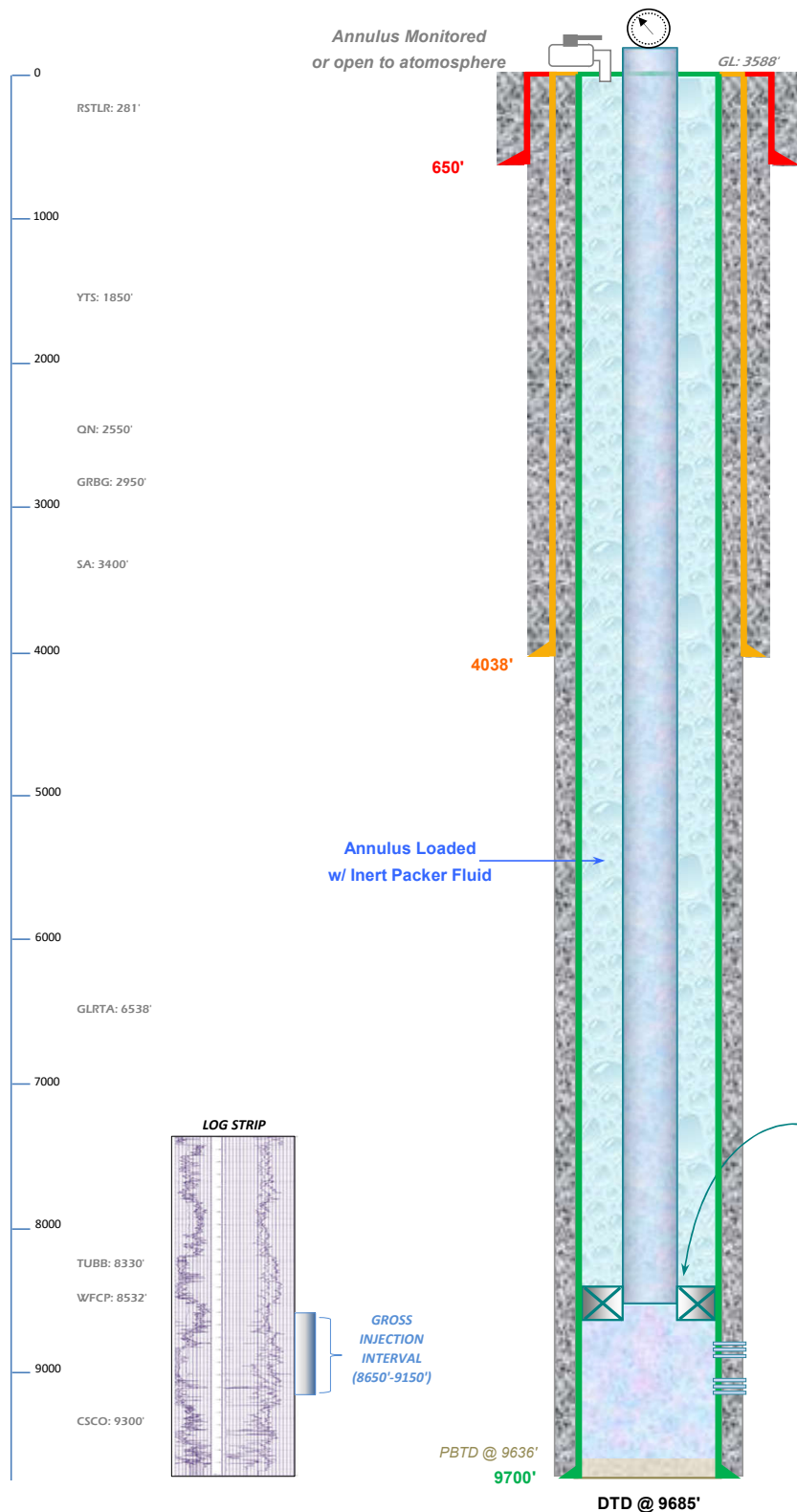


# WELL SCHEMATIC - CURRENT / PROPOSED Loco Hills 35 SWD Well No.2

API 30-015-37268

840' FSL & 2310' FWL, SEC. 35-T17S-R30E  
EDDY COUNTY, NEW MEXICO

SWD; Wolfcamp (96135)

Spud Date: 10/12/2009  
Config SWD Dt (Est): ~1/15/2022

Injection Pressure Regulated  
and Volumes Reported  
1730 psi Max. Surface (0.2 psi/ft)

**Surface Casing**

13.375", 48.0/ 54.5# H-40/ J-55 STC Csg. (17.5" Hole) @ 650'  
1010 sx - Circulated 100 sx to Surface

**SPUR ENERGY PARTNERS, LLC****Reinstate SWD Status:**

**NOTE: GROSS INTERVAL LONGER THAN EXISTING PERFS.**  
SEP, LLC may opt to shoot additional perfs within zone.

RIH w/ TBG (new or test into hole)

Set PKR @ 8712' + (Within 100' of uppermost perf)

Conduct Witnessed MIT.

Commence Disposal Operations.

**Intermediate Casing**

9.625", 36.0 & 40.0# J-55 Csg. (12.25" Hole) @ 4038'  
2870 sx - Circulated 157 sx to Surface

**3.5" IC Tubing (or smaller)**

PKR ~8712' + (with current perf intervals)

Note: PKR Set 100' Above Final Uppermost Perf Interval.

**Production Casing**

7.0", 17.0 & 26.0# L-80 Csg. (8.75" Hole) @ 9700';  
w/ 1st: 475 sx (DV ~7000') 2nd: 750 sx  
108 sx Circulated to Surface

Wolfcamp Reef Perfs - 8812 feet to 9092 feet

Drawn by: Ben Stone, 2/04/2022



## **C-108 ITEM XIII – PROOF OF NOTIFICATION**

### IDENTIFICATION AND NOTIFICATION OF AFFECTED PARTIES

#### **Exhibits for Section**

Affected Parties Map

List of Affected Parties

Notification Letter to Affected Parties

Proof of Certified Mailing

Proof of Return Receipts

Affidavit Published Legal Notice

## **C-108 - Items III, IV, V**

### **Item III - Subject Well Data**

Wellbore Diagram – PROPOSED

### **Item IV – Tabulation of AOR Wells**

6 Wells Penetrate the Proposed Injection Interval, 2 P&A'd, Schematics Attached

### **Item V – Area of Review Maps**

1. Two Mile AOR Map with One-Mile Fresh Water Well Radius
2. One-Half Mile AOR Map

All Above Exhibits follow this page.

## Form C-108 Item VI - Tabulation of AOR Wells

Top of Proposed WOLFCAMP Interval 8650'

3 Wells Penetrate Proposed Interval.

API No.	Current Operator	Well Name	Well Number	Type	Lease	Status	ULSTR	Depth	Plugged On
<u>Subject Well</u>									
30-015-37268	[328947] Spur Energy Partners LLC	LOCO HILLS SWD 35	#002	SWD	Federal	Active	N-35-17S-30E	9685'	

Section 35 Wells

30-015-24430	[372098] MARATHON OIL PERMIAN LLC	ATALAYA FEDERAL	#001	Oil	Federal	P&A-R	L-35-17S-30E	11600'	10/14/2019
									P&A DIAGRAM INCLUDED...
30-015-31063	[155615] NADEL AND GUSSMAN PERMIAN, LLC	ATALAYA FEDERAL	#003	Oil	Federal	P&A-R	M-35-17S-30E	4000'	8/10/2014
									DOES NOT PENETRATE
30-015-27851	[7377] EOG RESOURCES INC	CEDAR LAKE 35 FEDERAL COM	#002	Gas	Federal	Active	P-35-17S-30E	11600'	
Well completed as STRAWN gas producer w/ perfs 10,425'-10,445'; 5.5" csg set 11,515' w/ 1380 sx, Circ.; 8.625" csg set 4497 w/ 1300 sx, Circ.									

Section 2 Wells (18S)

30-015-20476	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#001	Oil	State	P&A-R	A-2-18S-30E	3467'	1/1/1900
									DOES NOT PENETRATE
30-015-27285	[14744] MEWBOURNE OIL CO	CEDARS BREAKS 2 STATE	#002	Oil	State	Active	A-2-18S-30E	11445'	
Well completed as BONE SPRING producer (orig. Strawn zone abn'd) w/ perfs 6805'-6974'; 5.5" csg set 11,490' w/ 2525 sx, Circ.; 9.625" csg set 3615' w/ 1900 sx, Circ.									
30-015-24299	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#001	Oil	State	P&A-R	D-2-18S-30E	3750'	12/10/1982
									DOES NOT PENETRATE

Summary: 6 Wells Total in AOR - 3 Wells Penetrate Subject Interval; 1 is P&amp;A'd



## **C-108 ITEM VII – PRODUCED WATER ANALYSES**

### **Item VII.4 – Water Analysis of Source Zone Water**

Tansil-Yates-Seven Rivers  
Grayburg-San Andres  
Yeso

### **Item VII.5 – Water Analysis of Disposal Zone Water**

Wolfcamp

**Water Analyses follow this page.**

# e-Permitting

## C-108 Submittal

Attachment Category

### Seismicity Analysis

For High Volume Devonian Wells



## C-108 ITEM VII – PROPOSED OPERATION

The Loco Hills SWD 35 No.2 SWD will be operated as a private disposal well to service Spur Energy Partners area operations. Source and disposal zone formation waters are compatible (*representative analyses of several zones are included herein*).

*Note: This C-108 application is to reinstate the previous authorization by OCD Order SWD-1177. Spur Energy Partners has acquired hundreds of wells since 2019. As operations are evaluated and assets assessed, this particular SWD had already lost focus by the previous operator. Spur Energy Partners believes reinstatement of this SWD will protect the environment and prevent waste.*

*The cost to dispose of produced water via trucking has become cost prohibitive and if continued, would certainly reduce lease economics and create waste by unnecessary trucking costs including fuel.* The average daily rate of this SWD would eliminate approximately three dozen transport truck trips per day. Reinstating the well to lease disposal will allow the operator to maintain sufficient in-house disposal volume and continue economic viability for their operated wells in the area. The well will not be open for commercial disposal from other operators' leases.

The system will be closed utilizing a small tank battery and injection pump facility on site with flowlines from the serviced wells. The tanks and associated equipment are inside an appropriate lined berm area to contain 150% of the largest tank volume.

Injection pressure will be 1730 psi (0.2 psi/ft) with and maximum rate of 10,000 bwpd. Average daily rate is expected to be 8500 bwpd or less.

Routine maintenance will be ongoing and any releases will be reported within 24 hours to OCD on form C-141 pursuant to various portions of 19.15.29 and 30 NMAC. Remediation would commence immediately upon assessment and planning to include all required documentation and reporting.

The facility will not be manned but will be available for inspections at any time deemed necessary by OCD.

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720

**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720

**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS

Action 80209

CONDITIONS

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 80209
	Action Type: [C-108] Fluid Injection Well (C-108)

CONDITIONS

Created By	Condition	Condition Date
aschaefer	None	10/3/2022