

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
I. PURPOSE	Selection of proper application type.		
II. OPERATOR	Name; address; contact information.		
	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.		
III. WELL DATA	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).		
IV. EXISTING PROJECT	For an expansion of existing well, Division order number authorizing existing well (if applicable).		
V. LEASE AND WELL MAP	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.		
VI. AOR WELLS	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.		
	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.		
VII. PROPOSED OPERATION	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.		
	Proposed injection interval, including appropriate lithologic detail, geologic name, thickness, and depth.		
VIII. GEOLOGIC DATA	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 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
IX. PROPOSED STIMULATION	Description of stimulation process or statement that none will be conducted.		
X. LOGS/WELL TESTS	Appropriate logging and test data on the proposed well or identification of well logs already filed with OCD.		
XI. FRESH WATER	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).		
XII. AFFIRMATION STATEMENT	Statement of qualified person endorsing the application, including name, title, and qualifications.		
	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.		
XIII. PROOF OF NOTICE	Notice of publication in local newspaper in county where proposed well is located with the following specific content:		
	 Name, address, phone number, and contact party for Applicant; 		
	 Intended purpose of proposed injection wel, including exact location of a single well, or the section, township, and range location of multiple wells; 		
	 Formation name and depth, and expected maximum injection rates and pressures; and 		
	 Notation that interested parties shall file objections or requests for hearing with OCD no later than 15 days after the admin completeness determination. 		
XIV. CERTIFICATION	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.

RECEIVED:	REVIEWER:	TYPE:	APP NO:	
		ABOVE THIS TABLE FOR OCD E	DIVISION USE ONLY	
	- Geologi	co OIL CONSERV cal & Engineering rancis Drive, Sant	g Bureau –	
	ADMINIST	RATIVE APPLICATI	ON CHECKLIST	
THIS C	HECKLIST IS MANDATORY FOR A REGULATIONS WHICH R	LL ADMINISTRATIVE APPLIC EQUIRE PROCESSING AT THE		
Applicant: Spur E				RID Number: <u>328947</u>
Well Name: <u>Loco H</u>				30-015-37270
Pool: <u>SWD;</u>	Volfcamp		Poc	ol Code: <u>96135</u>
A. Location	CATION: Check those - Spacing Unit – Simul SL □ NSP ₍ P ne only for [1] or [1]		bn _	∃sd
[I] Comr [[II] Injec	ningling – Storage – M DHC CTB F tion – Disposal – Press WFX PMX S	PLC PC C Ure Increase – Enha	anced Oil Reco	very
A. Offset B. Royalt C. Applic D. Notific E. Notific F. Surfac G. For all	REQUIRED TO: Check operators or lease ho y, overriding royalty o ation requires publish ation and/or concurr ation and/or concurr e owner of the above, proof c tice required	lders wners, revenue ov ed notice ent approval by SL ent approval by BL	vners _O LM	Notice Complete Application Content Complete
3) CERTIFICATION administrative	: I hereby certify that approval is accurate	and complete to t	the best of my k	

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

2/14/2022

Date

903-488-9850

Phone Number

ben@sosconsulting.us e-mail Address

Signature

Released to Imaging: 10/3/2022 2:22:22 PM



2a9e 4 of 47

February 7, 2022

SOS Consulting, LLC

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 34 SWD Well No.3, located in Section 34, 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 34 SWD No.3. The well was previously authorized by another operator for salt water disposal by division order SWD-1176. 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 NMOCD's mission of preventing waste and protection of correlative rights.

Published legal notice ran in the February 6, 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,

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

- Ι. PURPOSE: SWD Reinstatement and the application qualifies for administrative approval.
- **OPERATOR:** Spur Energy Partners, LLC (Ogrid – 328947) II. 9655 Katy Freeway, Ste.500, Houston, Texas 77024 ADDRESS:
 - 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.
- A map is ATTACHED that identifies all wells and leases within two miles of any proposed injection well with a one-half mile V. 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 - NO P&A'd penetrate.) 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.
- The well may be acidized to clean perforations and formation w/ approximately 7500 gals 15% HCl. IX.
- *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	\frown	TITLE: SOS CO	onsulting, LLC agent / consultan	t for Spur l	Energy Partners, Ll	LC
SIGNATI	JRE:	Sent	and a		DATE:	2/07/2022	
		- 0	-	Filing delayed waiting for certified n	otice deliver	2/14/2022	

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.

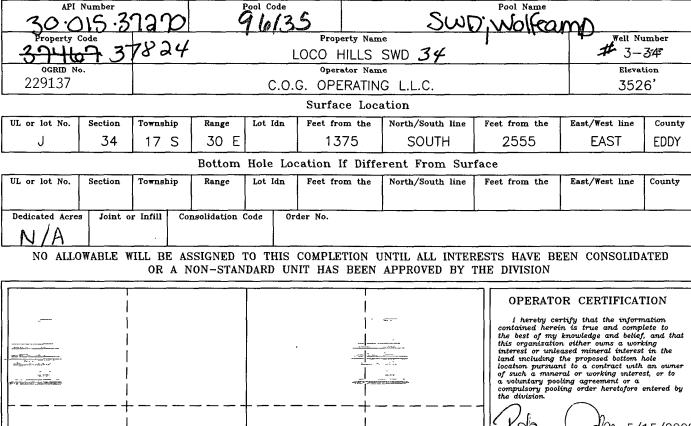
Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

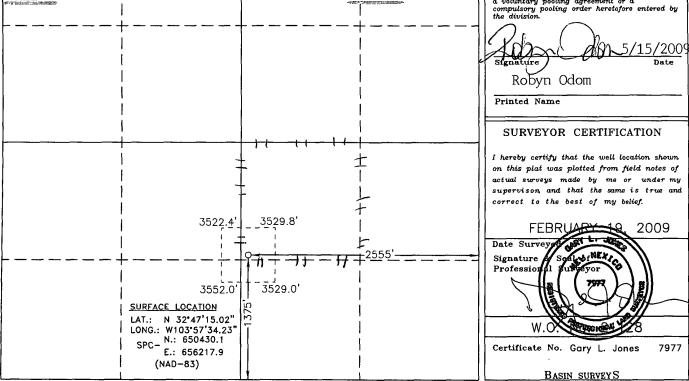
- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates 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.

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.

DISTRICT I State of New Mexico Energy, Minerals and Natural Resources Department 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 WELL LOCATION AND ACREAGE DEDICATION PLAT





Form C-102

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

Revised October 12, 2005

□ AMENDED REPORT

Page 7 of 47

<u>Received by O</u>CD: 2/14/2022 10:48:51 AM

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, NO P&A'd Penetrate

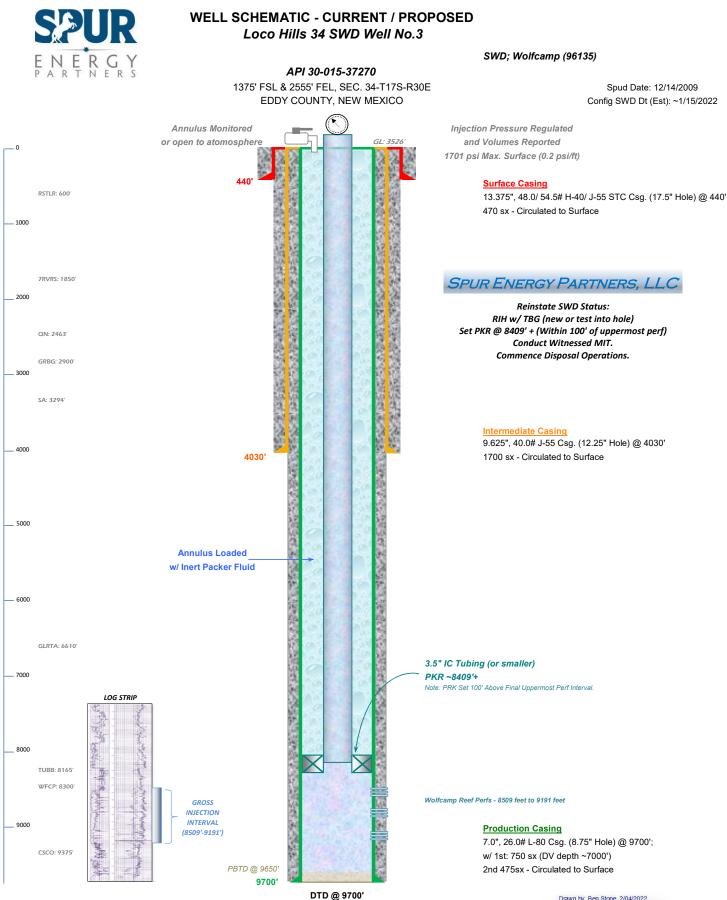
Item V – Area of Review Maps

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

2. One-Half Mile AOR Map

All Above Exhibits follow this page.

Received by OCD: 2/14/2022 10:48:51 AM





Form 3160-4 August 2007		TERED	DEDAD		ED STA				OCD Artes	ia					PROVE	_	1
August 2007		Ð	DEPAR BUREA	J OF L	AND M	ANAG	ERIOR EMENT								y 31, 20		
	WELL (COMPL	ETION C	RRE	COMP	LETIC	N REPOI	RT	AND LOG		F		ase Serial MNM0384			· · · · ·	
la. Type	_		Gas				ther: OTH					6. If	Indian, All	ottee c	or Tribe	Name	
b. Type	of Completion	Othe			rk Over		epen []	Plug	Back D	Diff. Re	svr.	7. U	nit or CA A	green	ient Na	me and No.	—
COG	of Operator OPERATING						NICIA CAR resources.c	om				L	ase Name a	.s sv		3	
3. Addres	s 550 WES MIDLAND			1300			Ph: C37		. (include area	code)	, ľ	9. A	PI Well No.	•	30-0	15-37270	
4. Locatio	on of Well (Re	port locat	ion clearly an	id in acc	cordance	with Fede	ralrequirem	ents)	FIVE	D		10. F S	ield and Po WD;WOL	ool, or FCAN	Explor IP	atory	—
At sur	face Lot J 1	375FSL	2555FEL				A	PR	-6 2010		!	11. 5	Sec., T., R.,	M., 0	r Block	and Survey	
At top	prod interval	reported b	below Lot	J 1375F	SL 255	FEL	NIRAO	~ -	ARTES		-		r Area Se County or P			State	
	I depth Lot	J 1375F							ARTES	SIA		E	DDY			NM	
14. Date 12/14				ate T.D. /07/201	Reached 0			Date D & A 3/01	Completed A Read /2010	y to Pr	od.	17. ł	Elevations (352	DF, K 26 GL		GL)*	
18. Total	Depth:	MD TVD	9700 9700		19. Plu	g Back T	.D.: ML TV)	9652 9652	T	20. Dept	h Bri	dge Plug Se	et:	MD TVD		
21. Type COM	Electric & Oth PENSATED 1	er Mecha NEUTRC	inical Logs R N	un (Sub	mit copy	of each)				Was D	ell cored? ST run? onal Surv	/ev?	No No No	H Ye	s (Subr	nit analysis) nit analysis) nit analysis)	
3. Casing	and Liner Rec	ord (Rep	ort all strings	set in v	vell)				l						、 、		
Hole Size	size/G	rade	Wt. (#/ft.)	To (MI	- 1	Bottom (MD)	Stage Ceme Depth	nter	No. of Sks Type of Cer		Slurry V (BBL		Cement	Top*	An	nount Pulled	
17.50		375 H40			0	440				470				C			0
12.25		625 J55 000 L80			0	4030				1700 1280				0 0			0
0.70	······································		20.0			9700			····- , ,,,,	1200					<u>'</u>	<u>. </u>	
		•														·····	
24. Tubir	g Record				Ŀ.										<u> </u>		_
Size	Depth Set (N	1D) F	acker Depth	(MD)	Size	Dept	h Set (MD)	Pa	acker Depth (N	4D)	Size	De	pth Set (M	D)	Packer	Depth (MD)
2.875		8443		8429			Dorforation I										
	cing Intervals Formation		Тор	T	Botton		Perforation I Perfora			<u> </u>	Size	-T-7	No. Holes	<u> </u>	Perf	Status	—
A)	WOLFO	AMP		8509		718	1011010		8509 TO 87	18	0.41			OPE		otutus	<u> </u>
B)	WOLFC			8839		992			8839 TO 89		0.41	0		OPE			
C) D)	WOLFC	AMP		9008	9	191			9008 TO 91	91	0.41	0	320	OPE	N		
- /	Fracture, Treat	ment, Ce	ment Squeez	e, Etc.						l				I			
······································	Depth Interva							An	nount and Typ	e of Ma	aterial						_
			718 ACIDIZE														
			191 ACIDIZI														
			191 FRAC V	V/ 115,0	00 GALS	15% ACII	D W/30,000# I	ROC	KSALT. FLUSH	H W/ 45	4 BBLS F	RES	WATER.				
28. Produ Date First	ction - Interval	A Hours	Test	Oil	Gas		Vater C	Dil Gra	situ	Gas		Produce:	on Mathe				
roduced	Date .	Tested	Production	BBL	MCF	E	BL C	Согт А	PI	Gravity		CE	PTED	FC)R R	ECOR	D
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil BBL	Gas MCF			Gas Oı Ratio		Well Sta	tu	Γ					-
	uction - Interva			-		1	I						APR	3	2010		
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF			Dil Gra Corr A		Gas Gravity		L	ion Method	NK	<u>3</u> -		
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil BBL	Gas MCF			Gas Oı Ratio		Well Sta			AU OF L				
											terror and the second						

1

	UNITED STATES EPARTMENT OF THE IN	ITERIOR	OCD Art	esta	OMB N	Page 11 of A APPROVED 0. 1004-0135 July 31, 2010
	UREAU OF LAND MANAC		16		5. Lease Serial No. NMNM0384574	
Do not use th	is form for proposals to a II. Use form 3160-3 (APD	drill or to re-er	nter an	F	6. If Indian, Allottee of	
SUBMIT IN TRI	PLICATE - Other instruct	ions on rever	se side.		7. If Unit or CA/Agre	ement, Name and/or No.
1. Type of Well □ Oil Well □ Gas Well 🙀 Oti	her: INJECTION	-		,	8. Well Name and No. LOCO HILLS SW	
2. Name of Operator COG OPERATING LLC	Contact: F E-Mail: kcarrillo@co	KANICIA CARF onchoresources.			9. API Well No. 30-015-37270-0	00-S1
3a. Address 550 W TEXAS, STE 1300 FA MIDLAND, TX 79701	SKEN TOWER II	3b. Phone No. (i Ph: 432-685	4000	IVED	10. Field and Pool, or UNDESIGNATE	
4. Location of Well (Footage, Sec., 1	T., R., M., or Survey Description,	,		6 2010	11. County or Parish,	and State
Sec 34 T17S R30E NWSE 13	375FSL 2555FEL			ARTESIA	EDDY COUNTY	r, NM
12. CHECK APP	ROPRIATE BOX(ES) TO	INDICATE N				R DATA
TYPE OF SUBMISSION			TYPE O	F ACTION		
□ Notice of Intent	□ ^{Acidize}		n	□ Producti	on (Start/Resume)	U Water Shut-Off
-	□ Alter Casing	□ Fractur		□ Reclama	tion	U Well Integrity
Subsequent Report		ليستا	Construction			Other Drilling Operation
Final Abandonment Notice	Change Plans		nd Abandon Back	□ ^{1 empora} □ ^{Water} D	arily Abandon isposal	0 1
testing has been completed. Final A determined that the site is ready for 1/18/10 Test BOP to 2000psi 1/19/10 Drilled out DV Tool 1/21/10 Perf Lower Wolfcamp gals acid. Set packer @ 8944 1/25/10 Release packer. TIH holes. Set packer @ 8747. 1/27/10 Acidize w/6000 gals a 1/28/10 Set CBP @ 8800. Per packer @ 8420. 1/29/10 Acidize w/6000 gals a 2/01/10 Acidize w/6000 gals a 2/01/10 Release packer. 2/02/10 Drill out plugs. Clean	final inspection.) , ok. p @ 9008 - 9089, <u>9111 - 9</u> 4. Acidized lower perfs w/ 7 w/ CBP, set @ 9000. Perf acid. Released packer erf Upper Wolfcamp @ <u>850</u> acid. acid.	<mark>191 w</mark> / 2 SPF, 3 7500 gals acid. Middle Wolfca	320 holes. 1/2 mp @ 8909 -	22/10 Acidize 8992 w/2 SP	w/210 F, 246	
14. Thereby certify that the foregoing i	is true and correct. Electronic Submission # For COG O mmitted to AFMSS for proce	83300 verified b PERATING LLC essing by KURT	y the BLM We , sent to the C SIMMONS on	II Information arlsbad 03/26/2010 (1)	System	
Name(Printed/Typed) KANICIA	-		Title PREP	-		<u></u>
Signature (Electronic	Submission)	I	Date 03/25/	2010		
	THIS SPACE FO	R FEDERAL	OR STATE	OFFICE US	SE	
Approved By ACCEPT	ED		JAMES A _{Title} SUPERV			Date 04/03/2
Conditions of approval, if any, are attach ertify that the applicant holds legal or ec which would entitle the applicant to conc	quitable title to those rights in the	e subject lease	Office Carlsba	ad		2010

Form C-108 Item VI - Tabulation of AOR Wells

	Top of Proposed WOLFCAMP Interval 8509'				3 We	ells Penetra	te Proposed Inter	val.	
API No.	Current Operator	Well Name	Well Number	Туре	Lease	Status	ULSTR	Depth	Plugged On
<u>Subject Well</u>									
30-015-37270	[328947] Spur Energy Partners LLC	LOCO HILLS SWD 34	#003	SWD	Federal	Active	J-35-17S-30E	9700'	
Section 34 Wells									
30-015-39477	[328947] Spur Energy Partners LLC	LOCO HILLS SWD 34	#005	SWD	Federal	Active	F-34-17S-30E	9589'	
			Well completed	as WOLFO	CAMP SWD w/ perfs	s 8550'-8850';	7.0" csg set 9700' w/	1524 sx, Circ.; 9.625	" csg set 1253' w/ Circ.
30-015-32047	[328947] Spur Energy Partners LLC	MAGGIE 34 FEDERAL	#001	Oil	Federal	Active	F-34-17S-30E	5207'	DOES NOT PENETRATE
30-015-23988	[328947] Spur Energy Partners LLC	ARNOLD FEDERAL COM	#001	Gas	Federal	Active	G-34-17S-30E	11552'	
		Well completed as MISSISS	IPPIAN gas producer	w/ perfs 1	1,468'-11,478'; 4.5	" csg set 11,55	2' w/ 2000 sx, TOC @	3200'.; 8.625" csg se	et 3464 w/ 2800 sx, Circ.
30-015-21317	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#003	Oil	Federal	P&A-R	H-34-17S-30E	3400'	1/1/1900 DOES NOT PENETRATE
30-015-25427	[372098] MARATHON OIL PERMIAN LLC	ATALAYA FEDERAL	#002	Oil	Federal	P&A-R	I-34-17S-30E	3500'	7/2/2019 DOES NOT PENETRATE
30-015-04448	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#011	Oil		P&A-R	M-34-17S-30E	3375'	1/1/1900 DOES NOT PENETRATE
Section 3 Wells									
30-015-24737	[7377] EOG RESOURCES INC	NELSON FEDERAL	#008	Oil	Federal	Active	С	11650'	
		Well complete	ed as BONE SPRING pr	roducer w	/ perfs 6700'-6740';	4.5" csg set 1	1,650' w/ 670 sx, TOC	NR'.; 8.625" csg set	3532 w/ 1750 sx, Circ.

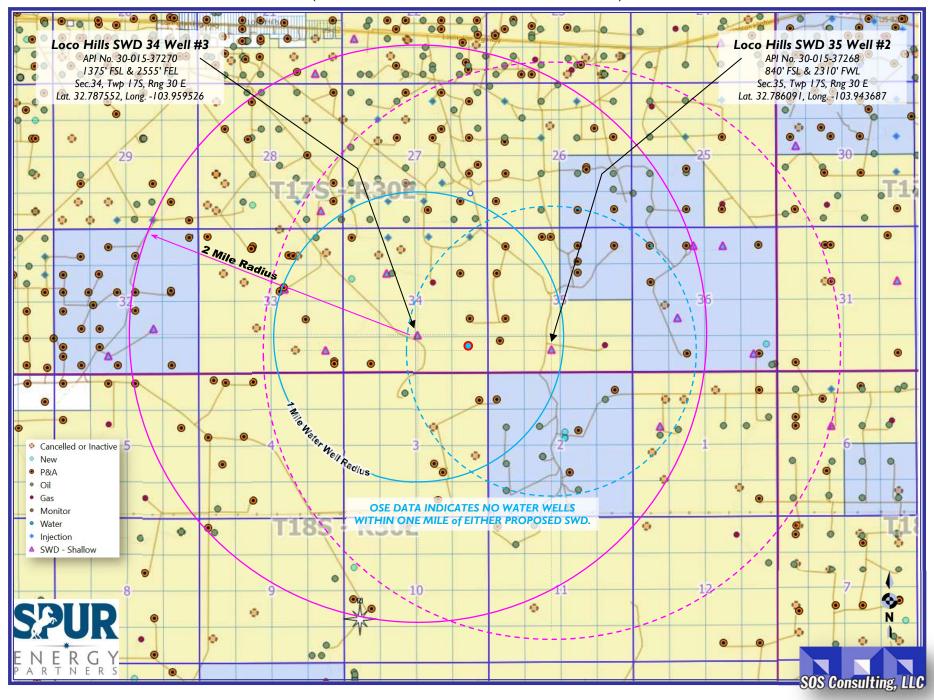
Summary: 7 Wells Total in AOR - 3 Wells Pentetrate Subject Interval; 0 are P&A'd



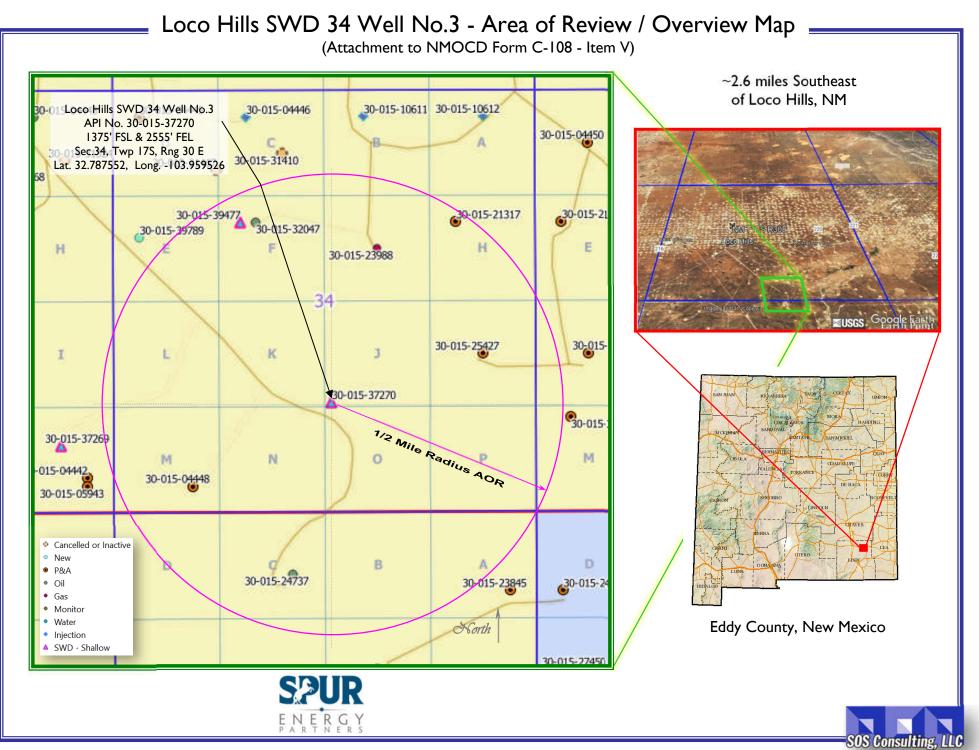
Received by OCD: 2/14/2022 10:48:51 AM

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

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



Received by OCD: 2/14/2022 10:48:51 AM



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.

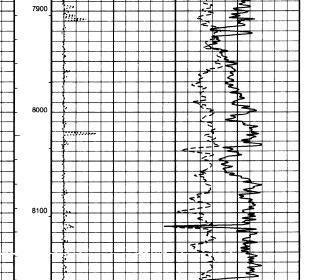
LOG STRIP FOLLOWS

Received by OCD: 2/14/.	Logging Date Aun Number Schlumberger Depth Bottom Log Interval Casing Dinter Star Depth Driter Sang Schlumberger Bit Star Bit Star Prive Fluid In Hole Source Of Sample Source Of Sample Source Of Sample Measured Temperatur Auf @ Measured Temperatur Casing Measured Temperatur Measured Temperatur Casing Measured Temperatur		COMPA WELL FIELD County:
	Depth erral al Size @Depth berger berger PH PH PH PH PH PH PH PH PH PH PH PH PH	015-5	COMPANY: COG Operating, LLC WELL: Loco Hills SWD 34 # FIELD SWD: Wolfcamp County: Eddy State:
	12010 111 111 111 111 111 111 112		COG Operating. LLC Loco Hills SWD 34 #3 SWD: Wolfcamp Eddy State:
	e 38 86 e 30 20 e 30 e 30 20 e 30 20 e 30 20 e 30 20 e 30 20 e 30 20 e 30	sated l Bev.: 150 h 175	ယ
		S Litho-Density Neutron / HNGS AL 3261 ft D.F. 3540 ft D.F. 3540 ft D.F. 3540 ft Above Perm. Datum	New Mexico
	Logging Date Run Number Depth Driller Depth Driller Casing Driller State @ Depth Casing Driller State @ Depth Casing Schumberger Bit Ste Source of Sample RMC @ Measured Temperature RMC @ Measured Temperature Conculation Stopped Conculation Stopped Density Recorded Temperature Time Conculation Stopped Conculation Stopped Density Recorded Time		
	e Depth ger sper emperature Temperature FMF @ MFIT FMF @ MFIT d Time d Time d Time		
	© © © © © © © © © ©		Pen 1 Pen 2
			Pon 4
	THE USE OF AND RELIANCE UPON THIS RECORDED AFFILIATES, PARTNERS, REPRESENTATIVES, AGENTS, CI AND CONDITIONS AGREED UPON BETWEEN SCHLUMBE USE OF THE RECORDED-DATA: (b) DISCLAMMERS AND W. COMPANYS USE OF AND RELIANCE UPON THE RECORD FOR ANY INFERENCE DRAWN OR DECISION MADE IN CO OTHER SERVICES 1 OS1: PEX-HRLA-HNGS-BHC	AIVERS OF WARHANNES AND REPRESENTA ED-DATA; AND (c) CUSTOMER'S FULL AND S	SOLE RESPONSIBILITY
	OS2: OS3; OS4: OS5; REMARKS: RUN NUMBER 1 Two 0.125' Wear Ring used on HGNS Two 1.5'' Standoffs used on HRLA Two CMEZ used on BHC	OS2 OS3: OS4 OS5 REMARKS: RUN NUMBER 2	
	Porosity computed on a Limestone Matrix (2.71 g/cc, 47.6 us/ft).		
	Operators: KP Prescott Rig: United 43 RUN 1 SERVICE ORDER #: BORBAM VERSION: 12C0.154	RUN 2 SERVICE ORDER #: PEOGRAM VERSION:	
Released to Imaging: 10	PROGRAM VERSION: 17C0-154 FLUID LEVEL: START STOP V3/2022 2:22:22 PM FOULT		START STOP

Page 16 of 47

LOG HEADER

Received by OCD: 2/14/2022



AMM MA

3

8200

8300

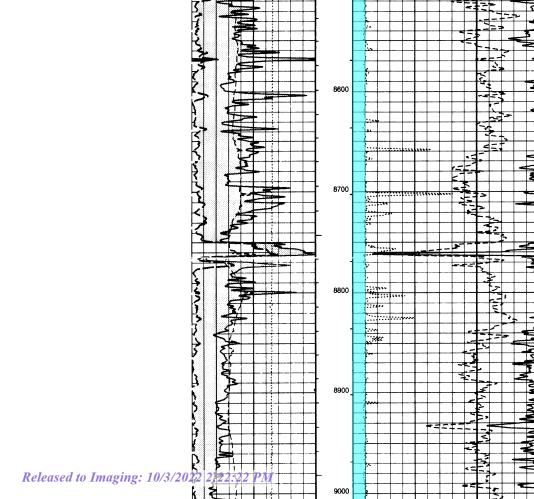
8400

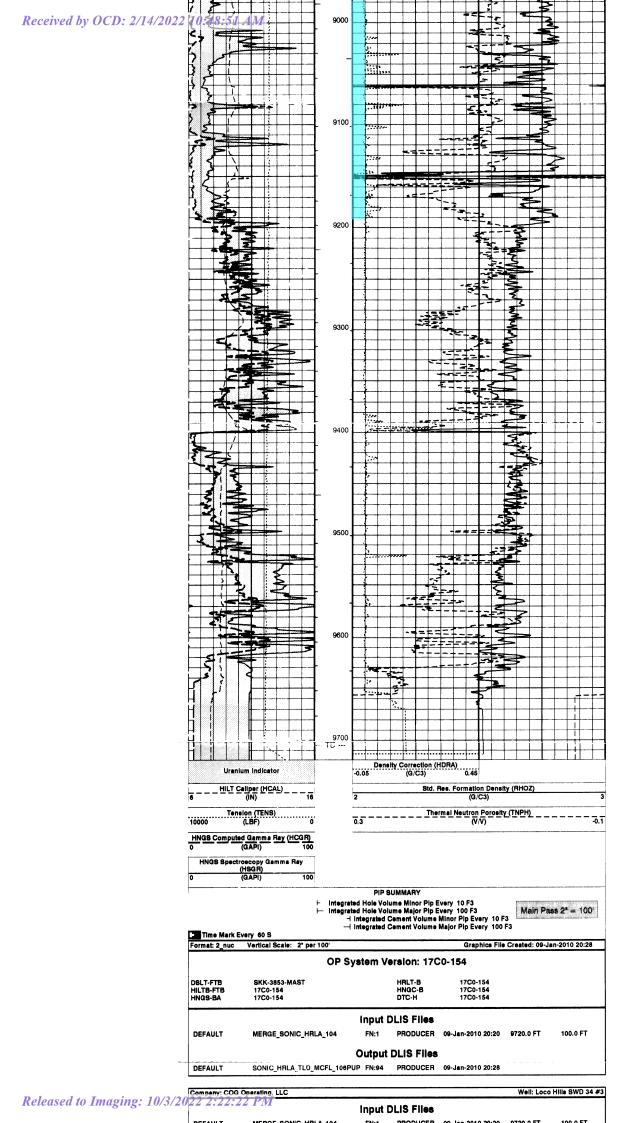
8500



LOG Pg.1

Top of Injection Interval 8509 feet







LOG Pg.2

Bottom of Injection Interval 9191 feet

C-108 ITEM VII – PROPOSED OPERATION

The Loco Hills SWD 34 No.3 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-1176. 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.

<u>The cost to dispose of produced water via trucking has become cost prohibitive</u> <u>and if continued, would certainly reduce lease economics and create waste by</u> <u>unnecessary trucking costs including fuel</u>. 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 1701 psi (0.2 psi/ft) with and maximum rate of 12,500 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 ANAYLSES

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

Lab ID

SOURCE ZONE

ARTESIA GROUP - TNSL-YTS-7RVRS

API No	3001502	2891									Sample	e ID		5128
Well Name	CAVE P		UNIT				030				Sample	No		
Location	ULSTR	04	17	s	29	Е		Lat /	Long	32.85900	-104	.07829		
	ę	990	S	2	310	Е			-		County	Eddy		
Operator	(when sa	ample	d)											
	(Fie		GF	RAYB	URG	JACKSON				Unit O			
San	nple Date						Anal	ysis Dat	te					
		0			. .					Dan the ((f 1			
			mple S iter Ty		ce I A	NK				Depth (if known)			
		vva	iter i y	P										
ph										y_as_caco3_				
ph_ter	mp_F							h	ardnes	ss_as_caco3	_mgL			
specifi	icgravity							h	ardnes	ss_mgL				
specifi	icgravity_t	temp_	F					re	esistivi	ty_ohm_cm				
tds_m	gL					2271	85	re	esistivi	ty_ohm_cm_	temp_			
tds_m	gL_180C							C	conduct	tivity				
chlorid	le_mgL					1407	00	C	conduct	tivity_temp_F	:			
sodiun	n_mgL							C	arbona	ate_mgL				
calciur	m_mgL							b	oicarbo	nate_mgL			47	
iron_m	ngL							s	ulfate_	_mgL			900	
barium	n_mgL							h	ydroxio	de_mgL				
magne	esium_mg	дL						h	12s_mg	βL				
potass	sium_mgL	-						C	:o2_mg	βL				
stronti	um_mgL							0	02_mgL	-				
manga	anese_mg	gL						а	nionre	marks				
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 SWD 34 #3 and 35#2

SOURCE ZONE

Lab ID

GRAYBURG-SAN ANDRES

										LabiD		
API No	3001502	873								Sample	e ID	5366
Well Name	GULF S					002				Sample	No	
	ULSTR		17	s	29	E	lat/	Long				
Loouton		30	N		90	W	Eut	Long	02.00007	County	.06746 Eddy	
_										,	,	
Operator	(when sa			00						11-14-4		
Son	nple Date	Fiel	a	SQ	UAR	E LAKE		to		Unit 4		
San							Analysis Da	ile				
		San	nple S	Sourc	e WE	LLHEAD			Depth (i	f known)		
		Wat	ter Ty	р								
ph							a	alkalinit	y_as_caco3_	mgL		
ph_ter	mp_F						ł	nardnes	s_as_caco3	_mgL		
specifi	icgravity						ŀ	nardnes	ss_mgL			
specifi	icgravity_t	emp_F	=				r	esistivi	ty_ohm_cm			
tds_m	gL					109000	r	esistivi	ty_ohm_cm_	temp_		
tds_m	gL_180C						c	conduct	livity			
chlorid	le_mgL					63070	c	conduct	tivity_temp_F			
sodiun	n_mgL						c	carbona	ate_mgL			
calciur	m_mgL						b	oicarbo	nate_mgL		3	339
iron_m	ngL						S	sulfate	mgL		35	538
barium	n_mgL						ł	nydroxio	de_mgL			
magne	esium_mg	L					ł	n2s_mg	ιL			
potass	sium_mgL						c	co2_mg	ιL			
stronti	um_mgL						c	o2_mgL	-			
manga	anese_mg	L					a	anionre	marks			
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 SWD 34 #3 and 35#2

SOURCE ZONE

YESO

60							Lab ID		
API No	3001530307						Sample		5901
Well Name	SCHLEY FED	ERAL		008			Sample	No	
Location	ULSTR 29	17	S 29	Е	Lat / Long	32.80836	-104	.09972	
	1580	Ν	1650	W			County	Eddy	
Operator	· (when sample	d)	MACK	ENERGY					
	Fie	ld	EMPIR	E EAST			Unit F		
Sar	nple Date		8/7/200	00	Analysis Date	8/1	4/2000		
	Sai	mple S	ource			Depth (if	known)		
	Wa	ater Ty	р						
ph				7	alkalinit	y_as_caco3_r	mgL		
ph_te	mp_F				hardnes	ss_as_caco3_	mgL		
specif	icgravity			1.135	hardnes	ss_mgL			
specif	icgravity_temp_	F			resistivi	ty_ohm_cm			
tds_m	ıgL			208172	resistivi	ty_ohm_cm_t	emp_		
tds_m	IgL_180C				conduc	tivity			
chlorid	de_mgL			140286	conduc	tivity_temp_F			
sodiur	n_mgL			87396.1	carbona	ate_mgL		0	
calciu	m_mgL			3103.09	bicarbo	nate_mgL		611.765	
iron_n	ngL			3.405	sulfate_	_mgL		3456.07	
bariun	n_mgL			0.1135	hydroxi	de_mgL			
magn	esium_mgL			817.2	h2s_mg	gL		79.45	
potas	sium_mgL			545.935	co2_mę	gL			
stront	ium_mgL			55.615	o2_mgl	-			
mang	anese_mgL				anionre	marks			
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

WOI	FCAMP							Lab ID		
	API No.	3001502	2280					Sample	e ID	5272
	Well Name	ANGELI			004			Sample	e No	
	Locatio	n ULSTR) S 28	Е	Lat / Long	32 64772	4.17854		
			1980 N			5		County	Eddy	
	Operato	r (when sa	ampled)							
	opolulo	. (Field	MILLN	AN EAST			Unit G		
	Sa	mple Date				Analysis Date				
					/ELLHEAD		Depth (if I	known)		
			Water	туре						
	ph						y_as_caco3_m			
		emp_F				hardnes	ss_as_caco3_n	ngL		
		ificgravity				hardnes	ss_mgL			
	spec	ificgravity_t	temp_F			resistiv	ity_ohm_cm			
	tds_r	ngL			118720	resistiv	ity_ohm_cm_te	emp_		
	tds_r	ngL_180C				conduc	tivity			
	chlor	ide_mgL			70200	conduc	tivity_temp_F			
	sodiu	ım_mgL				carbona	ate_mgL			
	calci	um_mgL				bicarbo	nate_mgL		2700	
	iron_	mgL				sulfate_	_mgL		1080	
	bariu	m_mgL				hydroxi	de_mgL			
	magi	nesium_mg	βL			h2s_m	gL			
	potas	sium_mgL	-			co2_m	gL			
	stron	tium_mgL				o2_mgl	L			
	manę	ganese_mg	gL			anionre	marks			
	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

WO	LFCAMP							Lab ID		
	API No.	3001503	019					Sample	e ID	5325
	Well Name		W DEEP I	JNIT	002	Sample No				
		ULSTR		S 30	E	Lat / Long	32 90152	-10	3.92244	
			60 S	1980	E	g	02.00102	County	Eddy	
	Onerato	r (when sa	mnled)							
	Operato	(when sa	Field	HENSH	AW			Unit O		
	Sample Date					Analysis Date				
				Source UN	IKNOWN		Depth (if	known)		
			Water Ty	/pe						
	ph					alkalinit	y_as_caco3_i	mgL		
	ph_te	mp_F				hardnes	ss_as_caco3_	_mgL		
	speci	ficgravity				hardnes	ss_mgL			
	speci	ficgravity_te	emp_F			resistivi	ty_ohm_cm			
	tds_n	ngL			69650	resistivi	ty_ohm_cm_t	emp_		
	tds_n	ngL_180C				conduc	tivity			
	chlori	de_mgL			41500	conduc	tivity_temp_F			
	sodiu	m_mgL				carbona	ate_mgL			
	calciu	ım_mgL				bicarbo	nate_mgL		18	0
	iron_i	mgL				sulfate_	_mgL		141	0
	bariu	m_mgL				hydroxi	de_mgL			
	magn	esium_mgl	L			h2s_m	gL			
	potas	sium_mgL				co2_m	βL			
	stront	ium_mgL				o2_mgl	-			
	mang	anese_mgl	L			anionre	marks			
	Remarks									

(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% as described.

The overall zone offers reasonable porosity in the proposed injection interval located from 8675 feet to 9130 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 3rd 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.

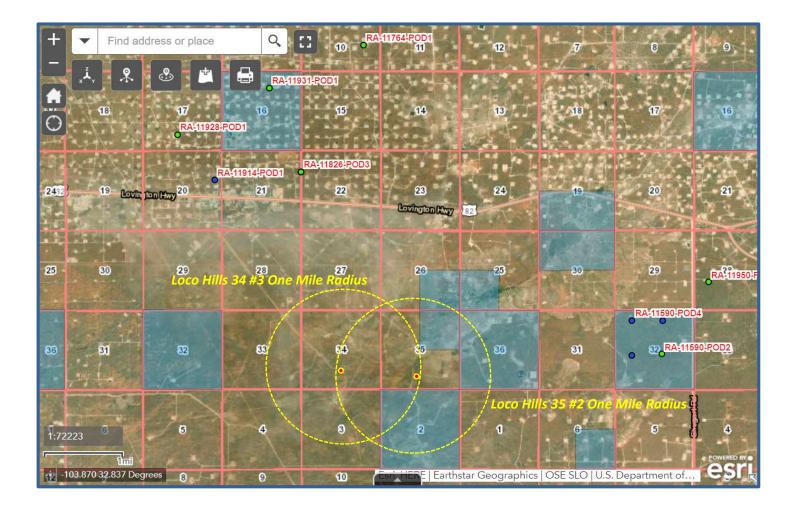
C-108 Item XI

Water Wells Within One Mile

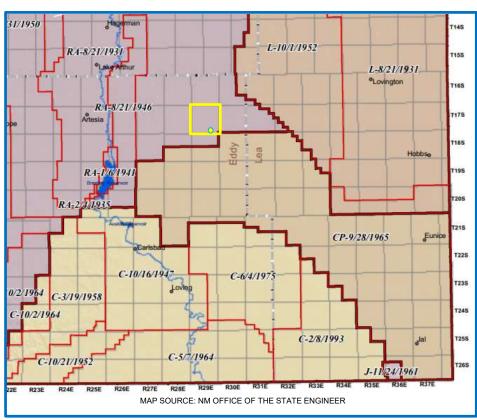
Loco Hills SWD 34 #3 and 35 #2 - Water Well Locator Map

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

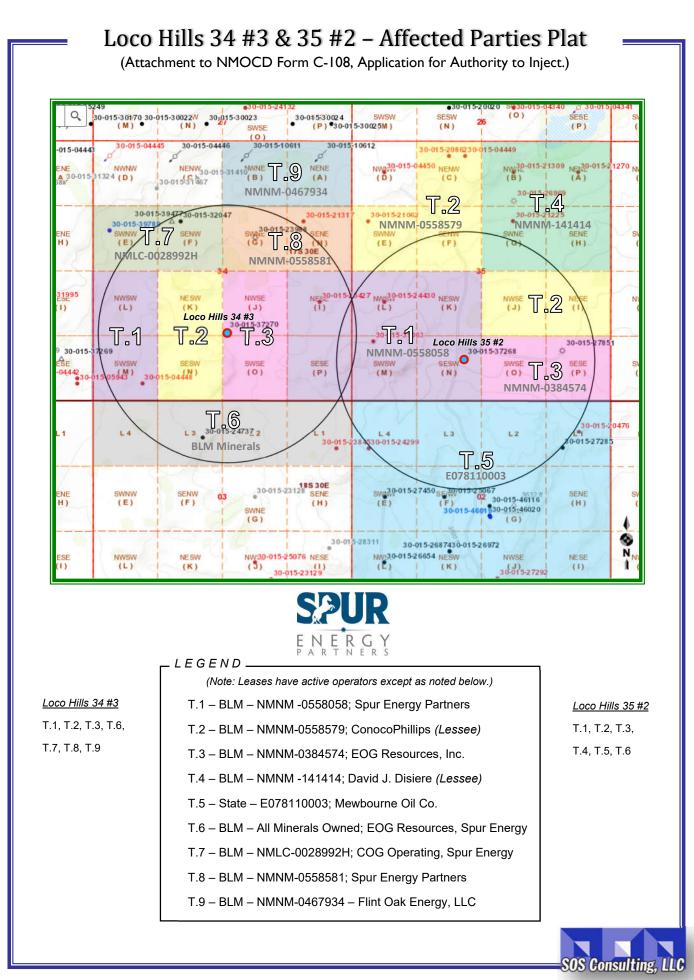
List of Affected Parties

Notification Letter to Affected Parties

Proof of Certified Mailing

Proof of Return Receipts

Affidavit Published Legal Notice



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 EVIDENCE 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 2049

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 2056

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

3 EOG RESOURCES, INC. 5509 Champions Drive Midland, TX 79706 Certified: 7018 1130 0000 8738 2063

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 4

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

BLM Lease NMLC-0228992H (T.7 on Map)

Operator

COG OPERATING, LLC 600 W. Illinois Ave. Midland, TX 79701 Certified: 7018 1130 0000 8738 2094

<u>BLM – NMNM-0558581 (T.8 on Map)</u> Operators

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

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

BLM Lease NMLC-0228992H (T.9 on Map)

Operator

5 FLINT OAK ENERGY, LLC 1703 Westfield Loop Rd Houston, Texas 77073 Certified: 7018 1130 0000 8738 2070

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 2087 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*

STATE OF NEW MEXICO Oil, Gas and Minerals Division 310 Old Santa Fe Trail Santa Fe, NM 87504 NEW MEXICO OIL CONSERVATION DIVISION 811 South First St. Artesia, NM 88210

SPUR LOCO HILLS 34#3 USPS Tracking

7018 1130 0000 8738 2049, 7018 1130 0000 8738 2056, 7018 1130 0000 8738 2100, 7018 1130 0000 8738 2094, 7018 1130 0000 8738 2070, 7018 1130 0000 8738 2087



Oil & Gas Accounting - Regulatory Processing Assistance - Oil Field Technical Assistance

February 1, 2022

SOS Consulting, LLC

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 <u>reinstate</u> for salt water disposal its Loco Hills SWD 34 Well No.3. 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 34, Township 17 South, Range 30 East in Eddy County, New Mexico.

The published notice states that the interval will be from 8,675 feet to 9,130 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 34 SWD #3 [Federal], API No.30-015-37270, is located 1375' FSL and 2555' FEL, (UL 'J') Section 34, 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 8675' to 9130' at a maximum surface pressure of 1735 psi, maximum daily rate of 12,500 bwpd and an average rate of 8500 bwpd. The subject SWD well is located approximately 2.6 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.

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.

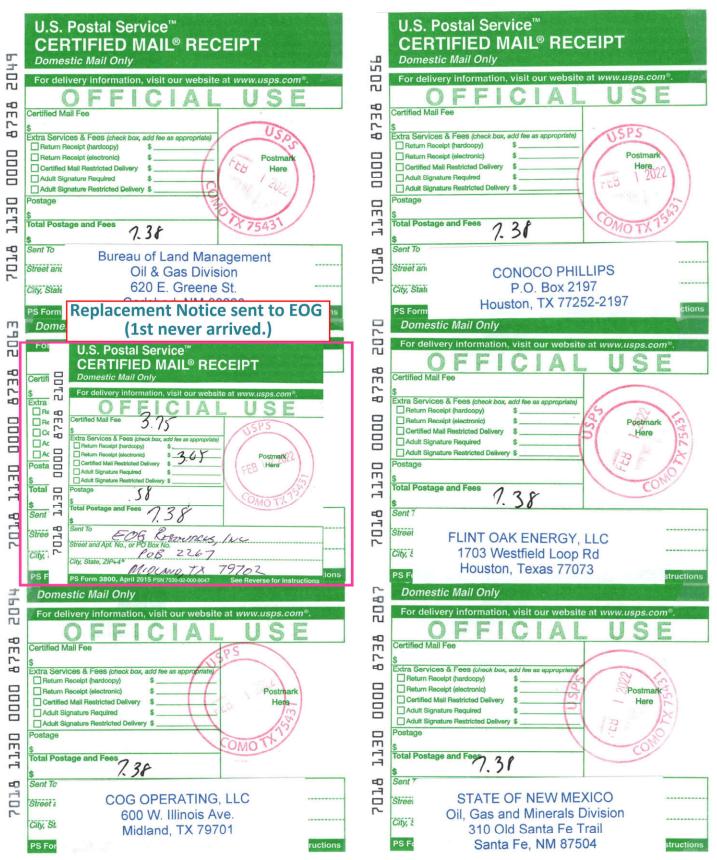
Best regards,

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

Cc: Application File

C-108 - Item XIV

Proof of Notice (Certified Mail Receipts)



Released to Imaging: 10/3/2022 2:22:22 PM

USPS Tracking[®]

FAQs >

Track Another Package + Track Packages Get the free Informed Delivery® feature to receive Learn More Anytime, Anywhere automated notifications on your packages (https://reg.usps.com/xsell) app=UspsTools&ref=ho nepageBanner&appURL=https%3A%2F%2Finformeddelivery.usps.com/box/pages/intro/start.action) **BLM - CFO** Remove X Tracking Number: 70181130000087382049 Your item was delivered to an individual at the address at 12:37 pm on February 4, 2022 in CARLSBAD, NM 88220. USPS Tracking Plus[™] Available ∨ Solution Delivered, Left with Individual February 4, 2022 at 12:37 pm CARLSBAD, NM 88220 Get Updates 🗸 See More 🗸 ConocoPhillips Remove X Tracking Number: 70181130000087382056 Your item was picked up at a postal facility at 8:01 am on February 3, 2022 in HOUSTON, TX 77002. USPS Tracking Plus[™] Available ∨ S Delivered, Individual Picked Up at Postal Facility February 3, 2022 at 8:01 am HOUSTON, TX 77002 Get Updates 🗸 See More V **EOG Resources** Remove X Tracking Number: 70181130000087382100 Status C Delivered, Individual Picked Up at Your item was picked up at a postal facility at 8:01 am on February 14, 2022 in MIDLAND, TX 79702. **Postal Facility** February 14, 2022 at 8:01 am MIDLAND, TX 79702 USPS Tracking Plus[®] Available 🗸 Get Updates 🗸 Delivered DELIVERY CONFIRMATION FOR REPLACEMENT NOTICE TO EOG - FIRST NOTICE NEVER ARRIVED. See More V

Tracking Number: 70181130000087382094

COG Operating

Remove X

Your item departed our MIDLAND TX DISTRIBUTION CENTER destination facility on February 8, 2022 at 1:56 am. The item is currently in transit to the destination.

USPS Tracking Plus[™] Available ∨

Departed USPS Regional Destination Facility

February 8, 2022 at 1:56 am MIDLAND TX DISTRIBUTION CENTER

Get Updates 🗸

Released to Imaging: 10/3/2022 2:22:22 PM

Tracking Number: 70181130000087382070 Flint Oak Energy

Your item was delivered to the front desk, reception area, or mail room at 11:20 am on February 3, 2022 in HOUSTON, TX 77073.

USPS Tracking Plus[™] Available ∨

C Delivered, Front Desk/Reception/Mail Room

February 3, 2022 at 11:20 am HOUSTON, TX 77073

Get Updates 🗸

See More 🗸

Tracking Number: 70181130000087382087

SLO - Santa Fe

Remove X

Remove X

Your item was picked up at a postal facility at 7:58 am on February 7, 2022 in SANTA FE, NM 87504.

USPS Tracking Plus[™] Available ∨

𝔅 Delivered, Individual Picked Up at Postal Facility

February 7, 2022 at 7:58 am SANTA FE, NM 87504

Get Updates 🗸

See More 🗸

Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

FAQs

Released to Imaging: 10/3/2022 2:22:22 PM

•

Comr ley Ar "PVA 88201

Propc Secon Friday be pul will be

posal

Copie of the New l

com t or tele 622-7

PVAC

waive Distri

Aron PVAC Super

Publis 13, 17

No. 26021 State of New Mexico Publisher County of Eddy: Danny Scott being duly sworn sayes that he is the Publisher of the Artesia Daily Press, a daily newspaper of General eirculation, published in English at Artesia, said county	Can juse Ocnoa at (575) 686-8815	svorkertæspr-mc.com or, bring a resume to 200 E. Main Actorsi Mutt bava a
Danny Scott being duly sworn sayes that he is the of the Artesia Daily Press, a daily newspaper of General		bring a resume to 200 E.
of the Artesia Daily Press, a daily newspaper of General		
		valid driver\'s license.
and state, and that the hereto attached Legal Ad	Legal Spur Energy Partners, LLC, 96 Houston, TX 77024, is filing F Authority to Inject) with the N Division seeking administrativ water disposal well. The subjec #3 [Federal], API No.30-015-3 2555' FEL, (UL 'J') Section 34,	Notice 555 Katy Freeway, Ste.500, orm C-108 (Application for lew Mexico Oil Conservation ye approval to reinstate a salt t: well, the Loco Hills 34 SWI 57270, is located 1375' FSL and
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	East, Eddy County, New Mexi area production will be private mercial disposal) into the Wol betweem 8509' to 9191' at a m 1701 psi, maximum daily rate rate of 8500 bwpd. The subject mately 2.6 miles southeast of I Interested parties wishing to o tion must file with the New M sion, 1220 St. Francis Dr., Sam	ely disposed (not open to com feamp Reef formation at dept aximum surface pressure of of 12,500 bwpd and an averag SWD well is located approxi- loco Hills, NM. bject to the proposed applica- exico Oil Conservation Divi- a Fe, NM 87505, (505)476-
l Consecutive weeks/day on the same day as follows: First Publication February 6, 2022	3460 within 15 days of the dat information may be obtained Consulting, LLC, (903)488-98 ing.us. Published in the Artesia Daily 2022 Legal No. 26021.	from the applicant's agent, SO 50 or, email info@sosconsult
Second Publication Third Publication Fourth Publication	-	Process Process
Fifth Publication Sixth Publication Seventh Publication	NDX//A.	
Subscribed and sworn before me this		
8th day of February 2022		

Notary Public, Eddy County, New Mexico

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

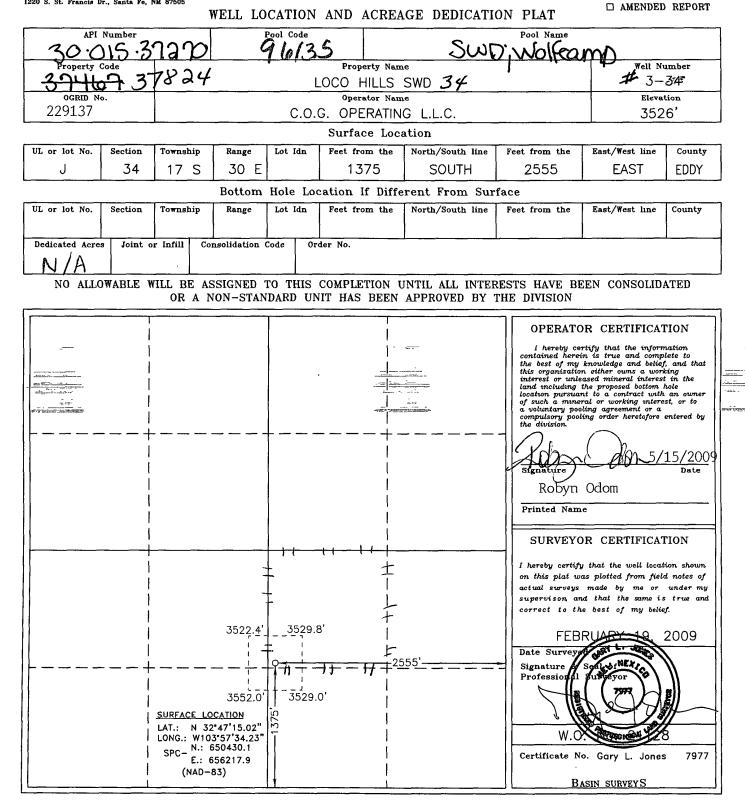
Form C-102 Revised October 12, 2005

Page 39 of 47

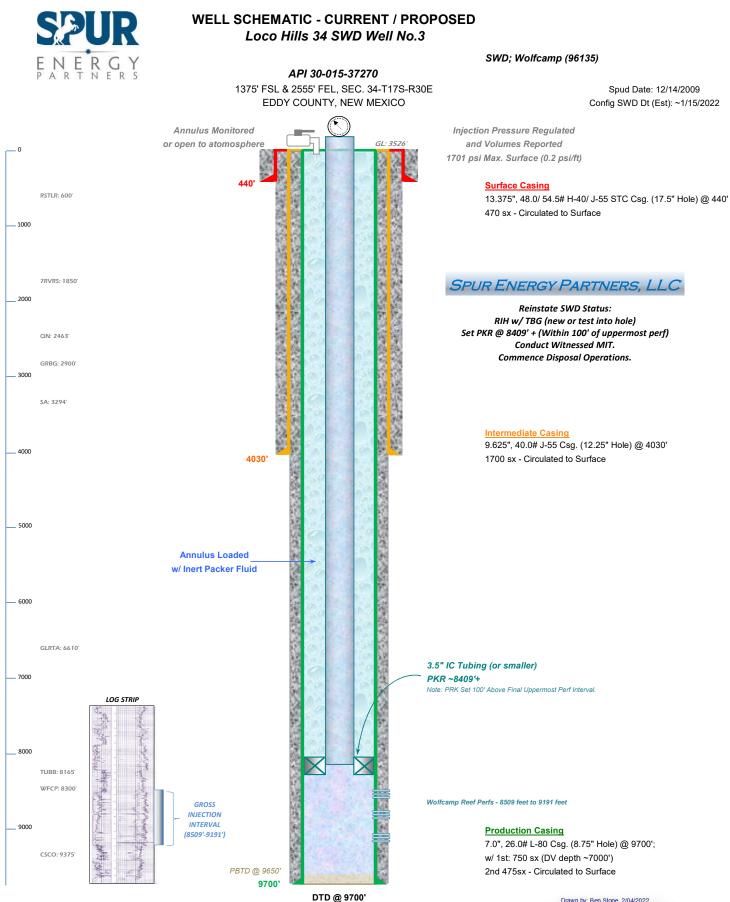
Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

State of New Mexico Energy, Minerals and Natural Resources Department

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



Received by OCD: 2/14/2022 10:48:51 AM



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, NO P&A'd Penetrate

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 8509'				3 We	ells Penetra	te Proposed Inter	val.	
API No.	Current Operator	Well Name	Well Number	Туре	Lease	Status	ULSTR	Depth	Plugged On
Subject Well									
30-015-37270	[328947] Spur Energy Partners LLC	LOCO HILLS SWD 34	#003	SWD	Federal	Active	J-35-17S-30E	9700'	
Section 34 Wells									
30-015-39477	[328947] Spur Energy Partners LLC	LOCO HILLS SWD 34	#005	SWD	Federal	Active	F-34-17S-30E	9589'	
	Well completed as WOLFCAMP SWD w/ perfs 8550'-8850'; 7.0" csg set 9700' w/ 1524 sx, Circ.; 9.625" csg set 1253' w/ Circ.								
30-015-32047	[328947] Spur Energy Partners LLC	MAGGIE 34 FEDERAL	#001	Oil	Federal	Active	F-34-17S-30E	5207'	DOES NOT PENETRATE
30-015-23988	[328947] Spur Energy Partners LLC	ARNOLD FEDERAL COM	#001	Gas	Federal	Active	G-34-17S-30E	11552'	
		Well completed as MISSIS	SIPPIAN gas producer	w/ perfs 1	1,468'-11,478'; 4.5	" csg set 11,55	2' w/ 2000 sx, TOC @	3200'.; 8.625" csg se	et 3464 w/ 2800 sx, Circ.
30-015-21317	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#003	Oil	Federal	P&A-R	H-34-17S-30E	3400'	1/1/1900 DOES NOT PENETRATE
30-015-25427	[372098] MARATHON OIL PERMIAN LLC	ATALAYA FEDERAL	#002	Oil	Federal	P&A-R	I-34-17S-30E	3500'	7/2/2019 DOES NOT PENETRATE
30-015-04448	[214263] PRE-ONGARD WELL OPERATOR	PRE-ONGARD WELL	#011	Oil		P&A-R	M-34-17S-30E	3375'	1/1/1900 DOES NOT PENETRATE
Section 3 Wells									
30-015-24737	[7377] EOG RESOURCES INC	NELSON FEDERAL Well complet	#008 ted as BONE SPRING pr	Oil roducer w	Federal / perfs 6700'-6740',	Active 4.5" csg set 1	C 1,650' w/ 670 sx, TOC	11650' NR'.; 8.625" csg set	3532 w/ 1750 sx, Circ.

Summary: 7 Wells Total in AOR - 3 Wells Pentetrate Subject Interval; 0 are P&A'd



C-108 ITEM VII – PRODUCED WATER ANAYLSES

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

Per OCD deep well criteria, this application does not include Seismicity Analysis.

Released to Imaging: 10/3/2022 2:22:22 PM

C-108 ITEM VII – PROPOSED OPERATION

The Loco Hills SWD 34 No.3 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-1176. 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.

<u>The cost to dispose of produced water via trucking has become cost prohibitive</u> <u>and if continued, would certainly reduce lease economics and create waste by</u> <u>unnecessary trucking costs including fuel</u>. 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 1701 psi (0.2 psi/ft) with and maximum rate of 12,500 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

Operator:	OGRID:
Spur Energy Partners LLC	328947
9655 Katy Freeway	Action Number:
Houston, TX 77024	81294
	Action Type:
	[C-108] Fluid Injection Well (C-108)

CONDITIONS

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

Page 47 of 47

Action 81294