Additional Information

Received: 4/24/2026

From: Goetze, Phillip, EMNRD
To: Dougi, Delilah, EMNRD
Subject: 1 of 5 Forwarded Blackbuck - Supplemental C-108 Information Submittal
Date: Tuesday, July 14, 2026 2:07:23 PM
Attachments: Ballard SWD #1 - OCD Follow-up Submittal Package.pdf
Allegiance Federal SWD #1 - OCD Follow-up Submittal Package.pdf
Justice SWD #1 - OCD Follow-up Submittal Package.pdf
Resolve State SWD #1 - OCD Follow-up Submittal Package.pdf
Independence SWD #1 - OCD Follow-up Submittal Package.pdf
Republic SWD #1 - OCD Follow-up Submittal Package.pdf

Multiple attachments. He has provided the application info below. PRG

From: Nate Alleman <nate.alleman@aceadvisors.com>
Sent: Friday, April 24, 2026 3:47 PM
To: Harris, Anthony, EMNRD <Anthony.Harris@emnrd.nm.gov>
Cc: Goetze, Phillip, EMNRD <phillip.goetze@emnrd.nm.gov>; Sandoval, Stacy, EMNRD <Stacy.Sandoval@emnrd.nm.gov>
Subject: [EXTERNAL] Blackbuck - Supplemental C-108 Information Submittal

Tony,

Based on OCD's comments in recent Administrative Completeness Checklists, Blackbuck submits the attached supplemental information for the six (6) applications listed below. Each package includes a cover letter that describes what supplemental information is being submitted for each application and why.

- **Ballard SWD #1** (pSYS2605432926; SWD-2688)
- **Resolve State SWD #1** (pSYS2605434916; SWD-2689)
- **Allegiance Federal SWD #1** (pEG2528351636; SWD-2677)
- **Independence SWD #1** (pEG2528350873; SWD-2676)
- **Justice SWD #1** (pEG2528350098; SWD-2675)
- **Republic SWD #1** (pEG2528352412; SWD-2678)

Please let me know if you have any questions or need any additional information.

Thank You!

Nate Alleman
Regulatory Advisor

Ace Energy Advisors
C. 918.237.0559
E. nate.alleman@aceadvisors.com

ACE Energy Advisors

April 24, 2026

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

Subject: Blackbuck Resources, LLC; Ballard SWD #1 (SWD-2688; pSYS2605432926)
C-108 Supplemental Submittal

OCD Director,

The purpose of this letter is to submit supplemental information associated with Blackbuck Resources, LLC's (Blackbuck) C-108 application for the proposed Ballard SWD #1 (SWD-2688; pSYS2605432926). This information is being provided to address OCD's comments in a recent Administrative Completeness Checklist. A list of the updates to the application is included below.

- **Revise from Open-Hole to Cased-Hole:** Revised completion from Open-Hole to Cased-Hole and updated the liner depth and cement volumes in the Tabulated Casing Data and Wellbore Diagram (WBD) accordingly.
  - see ***Attachment A*** for Updated Tabulated Casing Data (p. 3) and Updated WBD (p. 5)
- **No Underlying USDW Statement:** Added a Statement to the Geology Data clarifying that "No USDWs were identified underlying the proposed injection interval."
  - See ***Attachment A*** for the Underlying USDW Statement (p.4)
- **Distance to Nearest Completed Horizontal Wellbore:** Evaluated the distance to the nearest Completed Horizontal Wellbore based on data from Enverus and created a map to confirm and demonstrate that the nearest Completed Horizontal Wellbore is greater than 330' from the Surface Hole Location of the proposed SWD.
  - See ***Attachment B*** for Horizontal Wellbore Proximity Map (p. 7)

Questions regarding the included materials can be directed to Nate Alleman (Blackbuck Regulator Advisor Contractor) via telephone at 918-237-0559 or via email at nate.alleman@aceadvisors.com.

Sincerely,

Nathan Alleman

Nate Alleman
Chief Regulatory Advisor
Ace Energy Advisors

Attachment A
Proposed SWD Data and Wellbore Diagram

Well Data

Operator: Blackbuck New Mexico LLC
Lease/Well Name & Number: Ballard SWD #1
Legal Location: 761' FNL & 1,276' FWL - Unit A – Section 24 T25S R25E – Eddy County
Coordinates: 32.120663,-104.344815

Casing Data

Casing String	Hole Size (in)	Casing Size (in)	Casing Depth (ft)	Sacks Cement (sx)	Top of Cement (ft)	Method Determined
Surface	26	20	425	727	Surface	Circulation
1st Intermediate	17-1/2	13-3/8	1,591	1,413	Surface	Circulation
2nd Intermediate	12-1/4	9-5/8	10,134	3,671	Surface	Circulation
Injection Liner	8-3/4	7-5/8	9,934 - 13,435	515	TOL	Circulation

Tubing: 5-1/2" & 7” fiberglass-coated tubing set at 12,399’
Packer: SC-2 Retrievable or equivalent set at 12,399’

Geology Data

Injection Formation Name: Devonian-Silurian

Pool Name: SWD; Devonian-Silurian

Pool Code: 97869

Injection Interval: cased-hole injection between 12,499’ - 13,435’

Drilling Purpose: New drill for injection

Other Perforated Intervals: No other perforated intervals exist.

Overlying Oil and Gas Zones:

- Delaware (1,613’)
- Bone Spring (5,920’)
- Wolfcamp (8,180’)
- Morrow (11,093’)

Underlying Oil and Gas Zones:

- None

Geologic Description:

Proposed Injection Interval
The proposed injection interval, at depths of 12,499 ft to13,435 ft bgs, includes the Devonian and Silurian formations and is a package of carbonates consisting of predominantly of dolomite with limestone and interbedded cherts. Dolomitic and limestone porosities are expected to range from 0% to 7% with higher skeletal cherts ranging greater than 7% due to secondary porosity in the form of vugs and fractures from weathering effects and compaction. Permeabilities in the 2-7% porosity dolomitic grainstones intervals are estimated to be in the 2-20 millidarcy range, with higher porosity intervals estimated to be in the 40-100 millidarcy range (Ruppel and Holtz, 1994). The cased hole injection interval is expected to be within the majority of the higher permeability intervals.

Overlying Confinement

Overlying Confinement is provided by approximately 290 cumulative feet of low-permeability limestone and shale of the Mississippian Limestone (178 feet) and Woodford Shale (112 feet) that will act as barrier to fluid flow and prevent upward migration of injectate into overlying formations.

With the top of the proposed injection interval at 12,499 ft, there is expected to be approximately 12,099 ft of vertical separation between the injected fluids and the base of the lowermost USDW, including the 290 ft thick permeability barrier immediately overlying the injection interval. In addition to the geologic isolation, the freshwater resources will be further isolated and protected by surface casing that will be set at approximately 425 ft (≈25 ft below the deepest freshwater-bearing strata in the area) and cemented to surface.

Underlying Confinement

Underlying Confinement is provided by approximately 179 feet of low-permeability carbonates of the Silurian-aged Montoya formation. The proposed well will TD approximately 100 ft above the top of the Ordovician Montoya and will not inject fluids into the Montoya itself in order to provide sufficient barrier to avoid injection into the Middle Ordovician Simpson, the Lower Ordovician Ellenburger, or the Cambrian and the Precambrian below. The Precambrian structure contours (Ruppel, 2009) show the Precambrian basement to be at a depth of approximately 14,648 ft in this area. Therefore, the injection zone lies approximately 1,213 ft above the Precambrian basement.

Groundwater Sources

The local alluvium acts as the principal aquifer used for drinking ground water, if present, near the Subject SWD. Around the Subject SWD, the base of the lowermost Underground Source of Drinking Water (USDW) is approximately 400 feet bgs within the Permian Castile, which contains anhydrite and salt layers. Office of the State Engineer (OSE) data for domestic and livestock water wells indicate the deepest freshwater-bearing strata in the area occurs at depths of less than 200 ft.

No USDWs were identified underlying the proposed injection interval.

Operational Data

Proposed Maximum Injection Rate: 40,000 BWPD
Proposed Average Injection Rate: 30,000 BWPD
Proposed Maximum Injection Pressure: 2,499 psi (surface)
Proposed Average Injection Pressure: 1,800 psi (surface)

Prepared By:

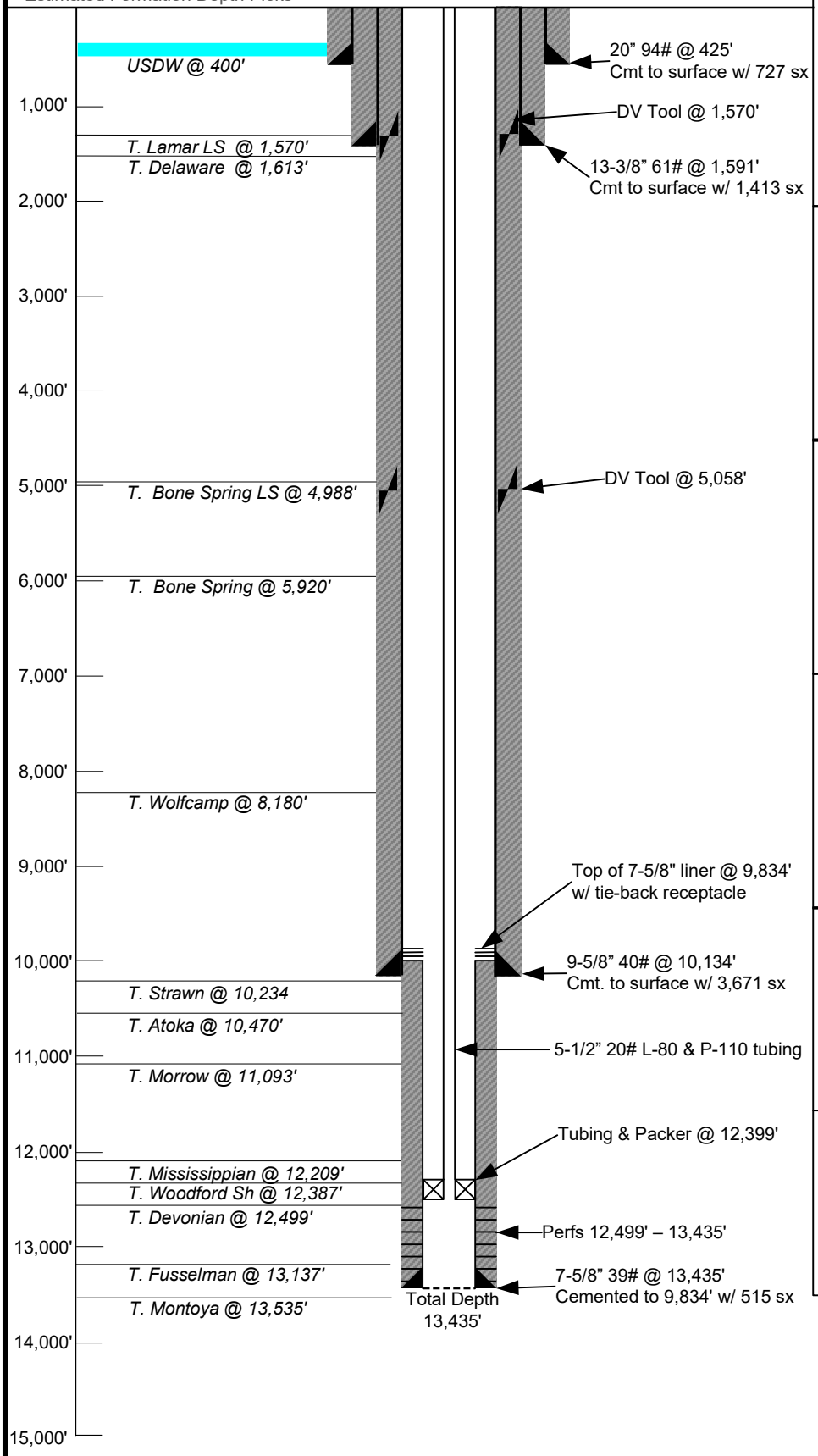
ACE Energy Advisors

Ballard SWD #1

Proposed Wellbore Diagram

Prepared For:

BLACKBUCK RESOURCES®



Surface Casing

Casing Size:	20 in
Casing Type:	94 lb/ft J-55 BTC
Casing Depth:	425 ft
Hole Size:	26 in
Top of Cement:	Surface
Sks Cement:	727 sx
Cement Type:	Class C + additives

1 Intermediate Casing

Casing Size:	13-3/8 in
Casing Type:	61 lb/ft J-55 BTC
Casing Depth:	1,591 ft
Hole Size:	17-1/2 in
Top of Cement:	Surface
Sks Cement:	1,413 sx
Cement Type:	Class C + additives

2 Intermediate Casing

Casing Size:	9-5/8 in
Casing Type:	40 lb/ft HCP-110 BTC
Casing Depth:	10,134 ft
Hole Size:	12-1/4 in
Top of Cement:	Surface
Sks Cement:	3,671 sx in 3 stages
Cement Type:	Class C + additives

Injection Liner

Casing Size:	7-5/8 in
Casing Type:	39 lb/ft HCL FJ
Casing Depth:	9,834 - 13,435 ft
Hole Size:	8-3/4 in
Top of Cement:	Surface
Sks Cement:	515 sx
Cement Type:	Class H + additives

Injection Tubing & Packer

Tubing Size:	5-1/2 in
Tubing Type:	20 lb/ft L-80 & 20 lb/ft P-110 fiberglass-lined tubing
Tubing Depth:	12,399 ft
Packer Depth:	12,399 ft
Packer Type:	SC-2 Retrievable or equivalent

Injection Interval

Formation(s):	Devonian-Silurian
Top:	12,499 ft
Bottom:	13,435 ft
Hole size:	7-5/8 in
Cased or Open-Hole:	Cased-Hole

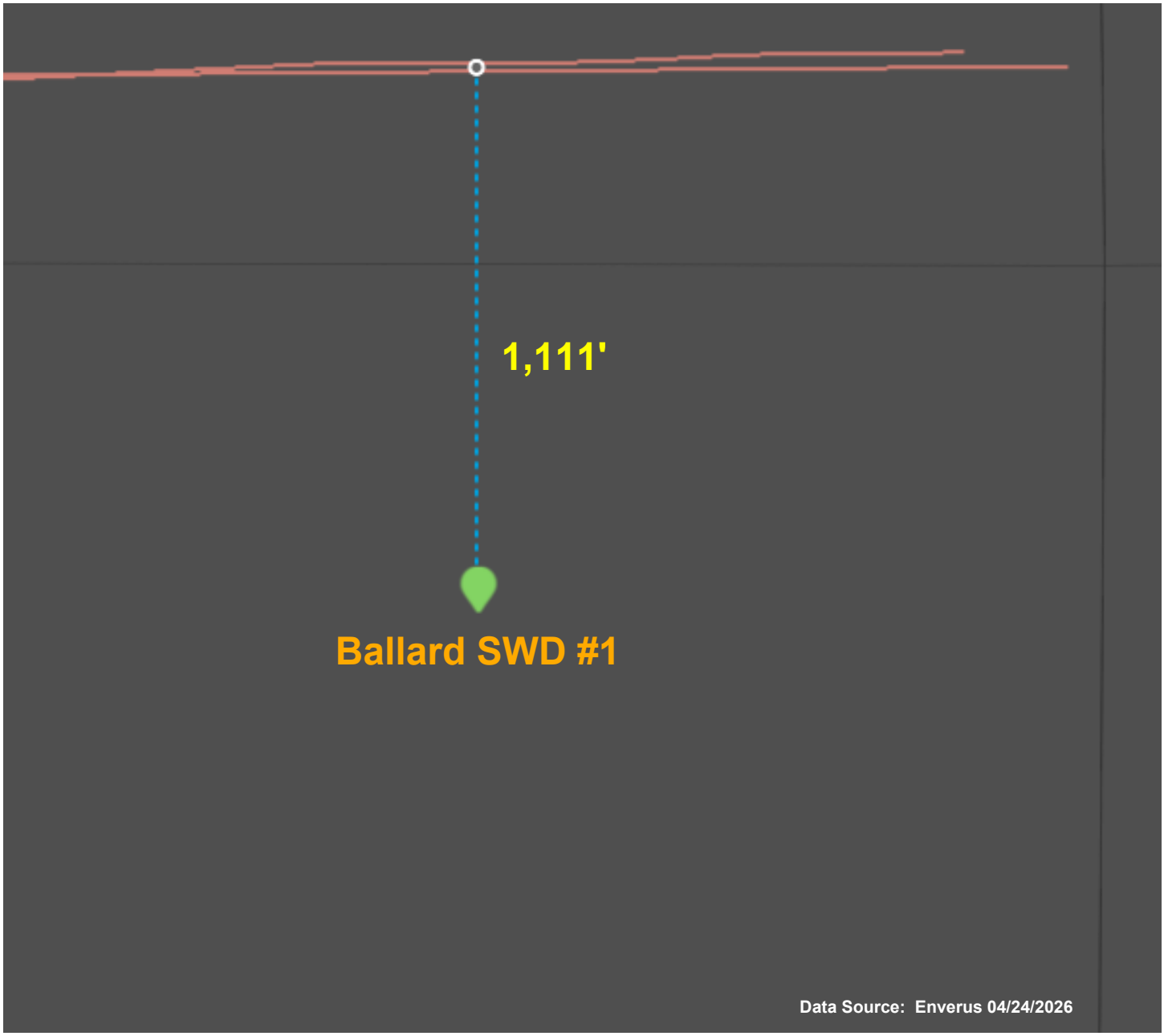
Notes:

- *Listed depths are measured from ground surface.*
- *Depths and cement volumes are estimates based on evaluation of the available information.*

NOT TO SCALE

Attachment B
Horizontal Wellbore Proximity Evaluation

Ballard SWD #1 - Distance to Adjacent Horizontal Wellbores



Sante Fe Main Office
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General Information
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https://www.emnrd.nm.gov/ocd/contact-us

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

CONDITIONS

Operator: NEW MEXICO ENERGY MINERALS & NATURAL RESOURCE 1220 S St Francis Dr Santa Fe , NM 87504	OGRID: 264235
	Action Number: 605708
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
delilah.dougi	None	7/17/2026