Initial

Application Part I

Received: 08/28/2019

*Th*is application is placed in file for record. It MAY or MAY NOT have been reviewed to be determined Administratively Complete

RECEIVED: 08/28/2019		TYPE: SWD	APP NO: pMAM1924	128928
	NEW MEXICO OIL - Geological & E 1220 South St. Francis I	Engineering Bure	i DIVISION	THE OF NEW AND
	ADMINISTRATIVE			
THIS CHECKLI	REGULATIONS WHICH REQUIRE PRO			ULES AND
				er:
			API:	
Pool:			Pool Code:	97869
1) TYPE OF APPLICATIO	DN: Check those which acing Unit – Simultaneou	CATED BELOW apply for [A]	SM	OF APPLICATION
[II] Injection - WFX 2) NOTIFICATION REO A. Offset oper B. Royalty, ov C. Application D. Notification E. Notification F. Surface ow	ing – Storage – Measure CTB PLC Disposal – Pressure Incr PMX SWD UIRED TO: Check those wators or lease holders erriding royalty owners, in requires published notion and/or concurrent app and/or concurrent app and/or concurrent app and/or concurrent app and/or concurrent app	ease – Enhanced]IPI [EOR which apply. revenue owners ce proval by SLO proval by BLM		FOR OCD ONLY otice Complete pplication ontent omplete /or,
administrative appr	reby certify that the info oval is accurate and co action will be taken on	mplete to the be	st of my knowledge.	l also

notifications are submitted to the Division.

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

Print or Type Name

Randuil H

Date

Phone Number

Signature

e-mail Address

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 Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 FORM C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

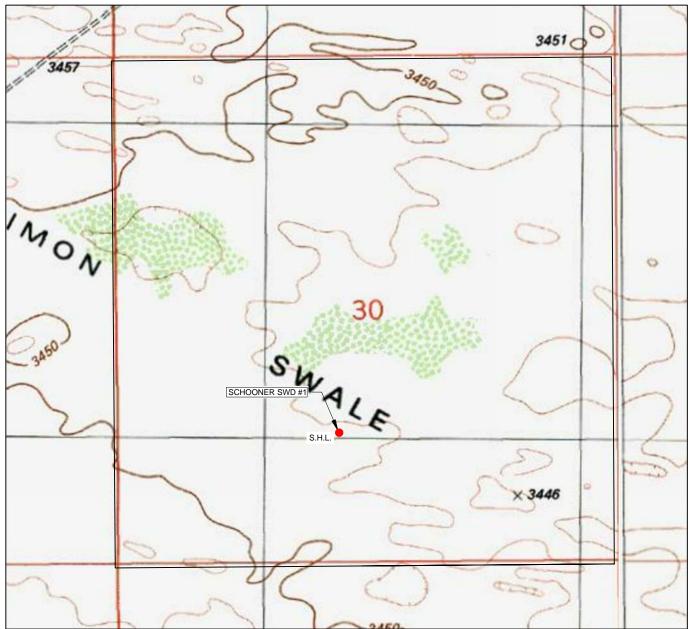
	API Number	•		² Pool Code	Code ³ Pool Name					
⁴ Property C	ode				⁵ Property N	Name			1 ⁰	Well Number
					SCHOONE	R SWD				#1
⁷ OGRID N	lo.				⁸ Operator N	Name				⁹ Elevation
32880	5			А	WR DISPOS	SAL, LLC				3443'
¹⁰ Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Ea	st/West line	County
K	30	22-S	34-E	-	1390'	SOUTH	2343'	WE	WEST LEA	
	¹¹ 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	Ea	ast/West line	County
¹² Dedicated Acres	¹³ Joint or 1	Infill ¹⁴ Con	solidation Co	de ¹⁵ Orde	er 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.

x ////////////////////////////////////		X=798421.08 Y=499314.91	¹⁷ OPERATOR CERTIFICATION 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 or has a right to drill this well at this 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 Printed Name E-mail Address
/ / / / / / / / / / / / / / / / / / /	SURFACE LOCATION NEW MEXICO EAST NAD 1983 X=795586 Y=495401 LAT.: N 32.3592393 LONG.: W 103.509930		¹⁸ SURVEYOR CERTIFICATION 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 to the best of my belief.
∠ / / / X=793253.55 / Y=493991.62	 X=795814.18 Y=494012.47	X=798452.12 Y=494033.65	Date of Survey Signature and Seal or Professional Surveyor C THE 11401 Contract of the seal of the sea

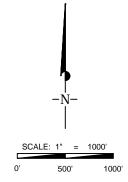
S\SURVEY\ACCELERATED_WATER_RESOURCES_LP\LIMESTONE\FINAL_PRODUCTS\LO_SCHOONER_SWD_1_PAD.DWG 8/21/2019 1:37:14 PM hperezgomez

LOCATION & ELEVATION VERIFICATION MAP



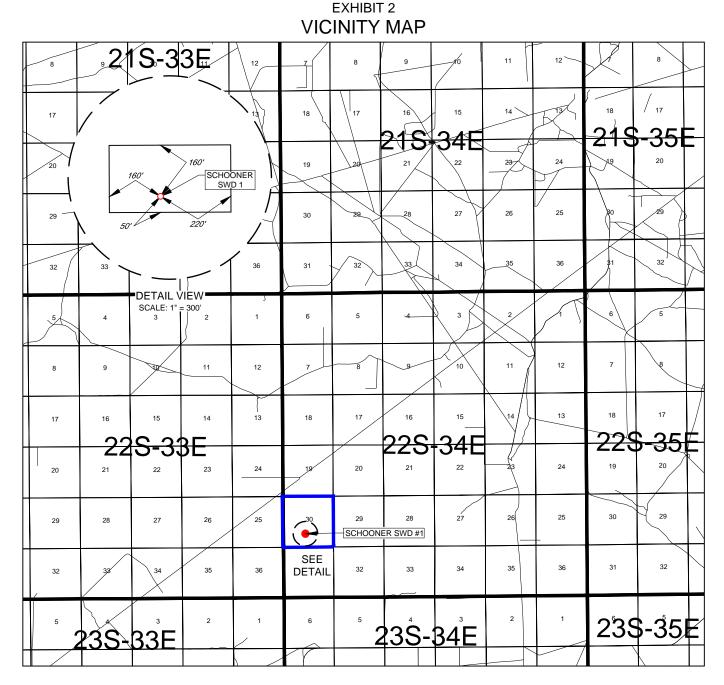
AWR DISPOSAL, LLC

LEASE NAME &	WELL NO.:	SCHOO	NER SWD #1
COUNTY		RGE <u>34-E</u> TATE <u>NM</u> 1390' FSL & 2343	ELEVATION
LATITUDE	N 32.3592393	LONGITUDE	W 103.5099305



THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY ACCELERATED WATER RESOURCES, LP. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM, EAST ZONE OF THE NORTH AMERICAN DATUM 1983, U.S. SURVEY FEET.



AWR DISPOSAL, LLC

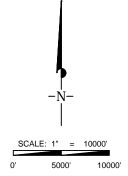
LEASE NAME & WELL NO.:					SCHOO	ONER SWD	#1
SECTION	30	_ TWP_	22-S	_ RGE_	34-E	SURVEY	N.M.P.M.
COUNTY		LE	A		STATE _	Ν	M
DESCRIPTIO	N			1390' F	SL & 2343	3' FWL	

DISTANCE & DIRECTION

FROM INT. OF NM-128 & DELAWARE BASIN RD., GO NORTH ON DELAWARE BASIN RD. ±6.0 MILES, THENCE GO WEST (LEFT) ON LEASE RD. ±2.4 MILES, THENCE GO NORTH (RIGHT) ON LEASE RD. ±3.6 MILES, THENCE GO NORTHEAST ON PADUCA BREAKS LN. ±3.7 MILES TO A POINT ±4887 FEET NORTHWEST OF THE LOCATION.

THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY AWR DISPOSAL, LLC. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM, EAST ZONE OF THE NORTH AMERICAN DATUM 1983, U.S. SURVEY FEET.





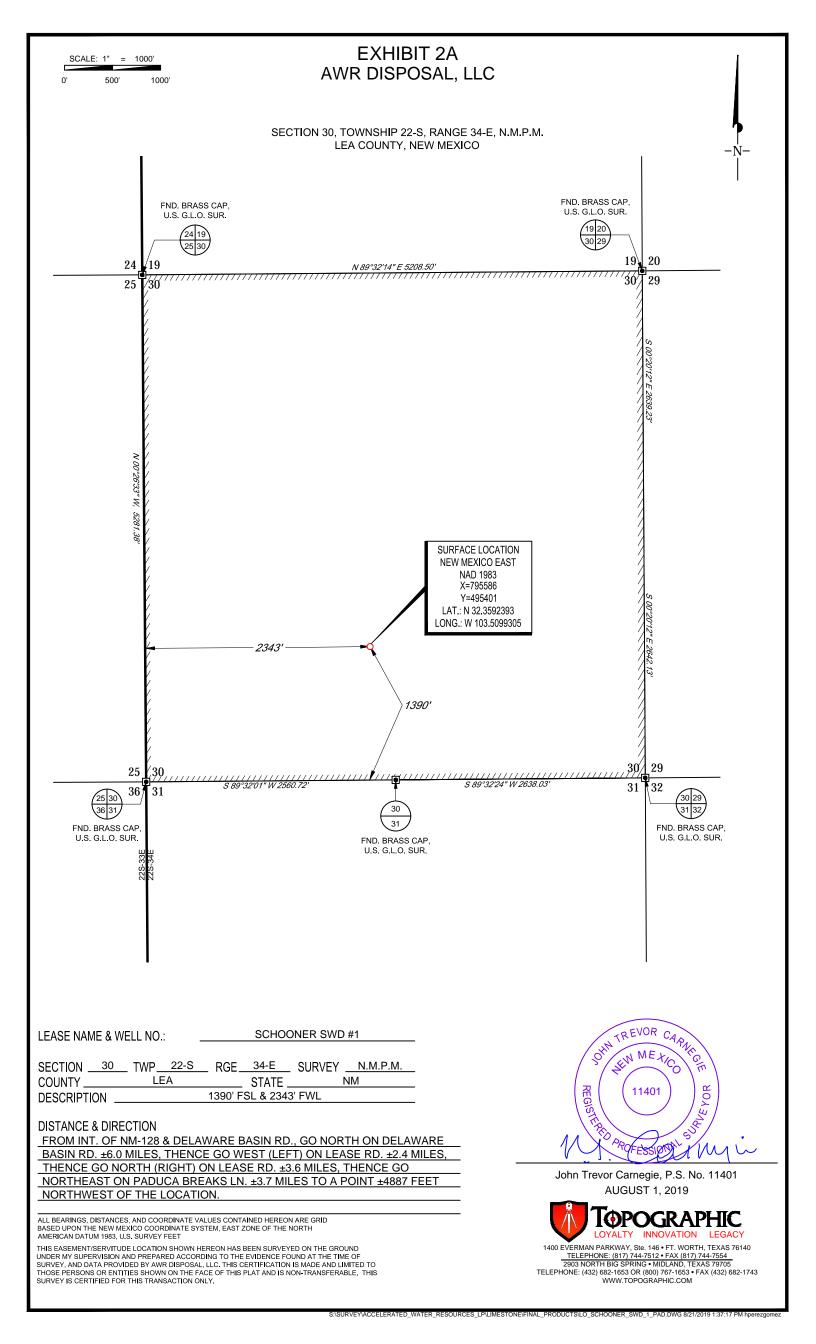
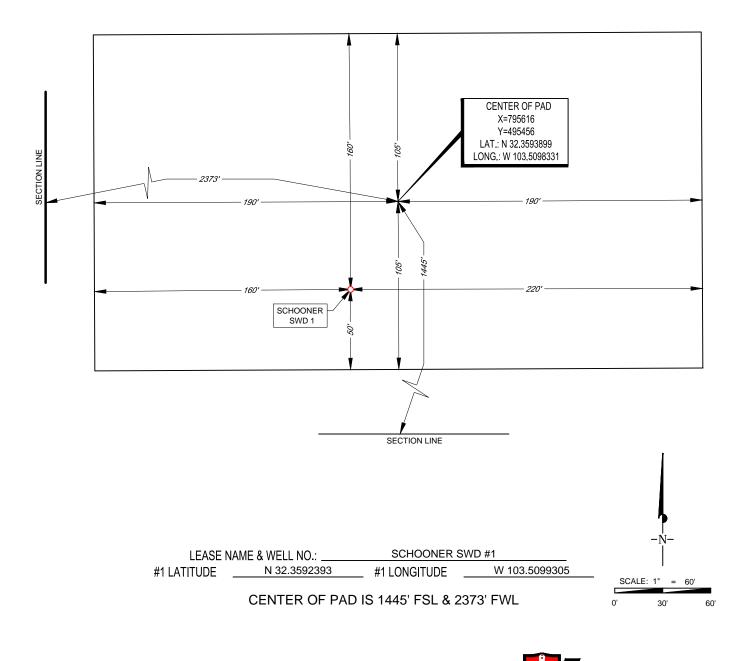


EXHIBIT 2B AWR DISPOSAL, LLC

SECTION 30, TOWNSHIP 22-S, RANGE 34-E, N.M.P.M. LEA COUNTY, NEW MEXICO



ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM, EAST ZONE OF THE NORTH AMERICAN DATUM 1983, U.S. SURVEY FEET

THIS PROPOSED PAD SITE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY AWR DISPOSAL, LLC. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY. 1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140 TELEPHONE: (817) 744-7512 • FAX (817) 744-7554 2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705 TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743 WWW.TOPOGRAPHIC.COM

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL **RESOURCES DEPARTMENT**

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

I. PURPOSE: Secondary Recovery Pressure Maintenance X_Disposal Application qualifies for administrative approval? X_Yes No II. OPERATOR: AWR Disposal, LLC ADDRESS: 3300 N. A Street, Ste 220, Midland, Texas 79705 CONTACT PARTY: Randall Hicks (agent) PHONE: 505 238 951 III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.						
 II. OPERATOR:AWR Disposal, LLC						
CONTACT PARTY:Randall Hicks (agent)PHONE:505 238 951 III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.						
III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.	15					
Additional sheets may be attached if necessary.						
IV. Is this an expansion of an existing project? Yes X_No If yes, give the Division order number authorizing the project: Yes Yes						
Attach a map 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.						
Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.						
VII. Attach data on the proposed operation, including:						
 Proposed average and maximum daily rate and volume of fluids to be injected; Whether the system is open or closed; Proposed average and maximum injection pressure; Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other that produced water; and, If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, st wells, etc.). 	d well, attach a					
1. Attach appropriate geologic data on the injection zone 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. Describe the proposed stimulation program, if any.						
*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not	be resubmitted).					
*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within on injection or disposal well showing location of wells and dates samples were taken.	e mile of any					
XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and e data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any une sources of drinking water.						
XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.						
XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of n and belief.						
NAME:Randall HicksTITLE:Agent						

_____DATE: __08/26/2019____

* 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:

III. WELL DATA

- 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

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.

Side 1	INJ	ECTION WELL DATA SHE	EET		
OPERATOR:	AWR Disposal, LLC				
WELL NAME & NUM	MBER: _SCHOONER SWD #1				
WELL LOCATION: _	1,390' FSL & 2,343 FWL Footage location	KUNIT LETTER	30 Section	22S TOWNSHIP	
<u>WELL</u>	<u>BORE SCHEMATIC</u>			<u>ONSTRUCTION DAT</u> Casing	<u>TA</u>
		Hole Size:See	attachments	Casing Size:	
		Cemented with:	SX.	0ľ	ft ³
		Top of Cement:		Method Determin	ed:
			Intermedi	ate Casing	
		Hole Size:		Casing Size:	
		Cemented with:	SX.	0ľ	ft ³
		Top of Cement:		Method Determin	ed:
			Productio	on Casing	
		Hole Size:		Casing Size:	
		Cemented with:	SX.	0r	ft ³
		Top of Cement:		Method Determin	ed:
		Total Depth:			
			Injectior	n Interval	
			fe	et to	

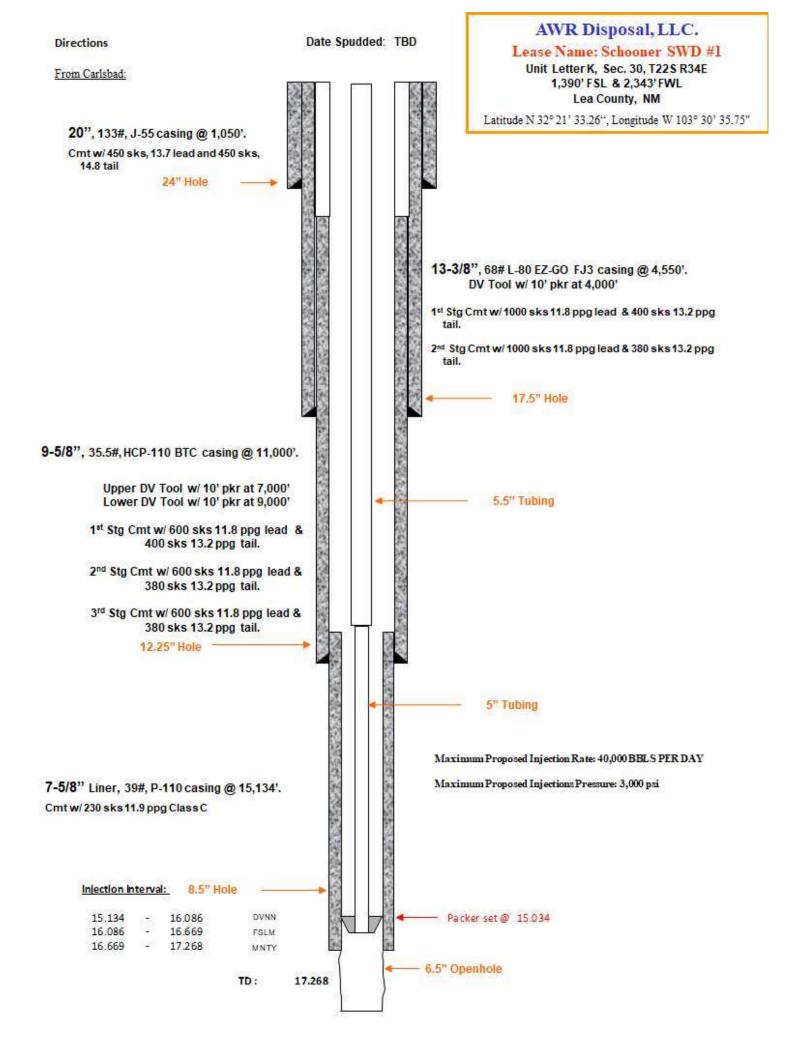
(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tub	ing Size:See attachmentsLining Material:
Тур	e of Packer:
Pac	ker Setting Depth:
Oth	er Type of Tubing/Casing Seal (if applicable):
	Additional Data
1.	Is this a new well drilled for injection?YesNo
	If no, for what purpose was the well originally drilled?
2.	Name of the Injection Formation:
3.	Name of Field or Pool (if applicable): _Proposed: SWD, Devonian, Fusselman, Montoya
4.	Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) usedNo
5.	Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:See attachments

Attachments to C-108

Copy of well bore diagram Section III-XII Written descriptions to supplement C-108 Plates referenced in written descriptions Tables referenced in written descriptions OSE well logs referenced in written descriptions Section XIII Proof of Notice



III. WELL DATA

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

Lease Name: Schooner SWD #1 Unit Letter K, Section 30, T22S R34E, 1,390' FSL, 2,343 FWL

The State of New Mexico owns the surface upon which the SWD is located.

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

The attached Wellbore Data Sheet provides all of the design specifics required and a tabulation of these data are shown on the diagram.

The formation tops for the Schooner SWD #1 were established by Geologist Herb Wacker TBPG license #4517. Measured depths (MD) below the Kelly Bushing (KB) and sub-sea (SS) elevations are displayed on the table to the right.

For the deepest formations, we used the log from the Amerada Hess Bell Lake North Fed #3 (30-325-33077) that has a total depth of 17,540 feet in the Ellenburger Formation. The distance from Schooner SWD #1 location to this well is 1.7 miles south-southeast.

For picking tops of more shallow formations, we used the log from the Santa Fe Gaucho Unit (30-025-34149) with total depth 13,450 feet in the Morrow Formation. The distance from Schooner SWD #1 location is 0.5 mile to the east.

3. A description of the tubing to be used including its size, lining material, and setting depth

5-1/2" (20#) internal plastic coated tubing swaged down to 5" (18#) with setting depth of 15,034'.

AWR 201 SCHOO	NER Sec30 TWP 2	2S RGE 34E
	GL	3440
Geologist	КВ	3470
H. Wacker	MD	SS
Dockum	1103	2367
Santa Rosa	1327	2143
Dewey Lake	1789	1681
Rustler	2249	1221
Salt	2722	748
Capitan Reef	3787	-317
Delaware	4995	-1525
Bell Canyon	5006	-1536
Cherry Canyon	5703	-2233
Brushy Canyon	7249	-3779
Bone Spring	8588	-5118
Avalon	9051	-5581
1st Bone Spring	9492	-6022
2nd Bone Spring	10121	-6651
3rd Bone Spring	11021	-7551
Wolfcamp	11427	-7957
Strawn	11924	-8454
Atoka	12157	-8687
Morrow	12768	-9298
Barnett	13804	-10334
Miss Limestone	14245	-10775
Woodford	14880	-11410
Devonian	15104	-11634
Fusselman	16086	
Montoya	16669	-13199
Simpson	17298	-13828
Top of Interval	15134'	Devonian +30'
Bottom of Interval	17268'	Simpson -30'
TD	17268'	
	f Injection Interval =	2134'
1110111035 0		2107

4. The name, model, and setting depth of the packer used or a description of any other seal system or assembly used

Tryton Tools, 7" Arrow Set 1-X Nickel Plated Injection Packer will be set at 15,034'.

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

The proposed injection intervals include the Devonian, Fusselman and Montoya in an open-hole interval.

(2) The injection interval and whether it is perforated or open-hole.

The depth interval of the open-hole injection interval is 15,134-17,268 (2,134 feet).

(3) State if the well was drilled for injection or, if not, the original purpose of the well.

The well will be drilled for disposal.

(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

There are no perforated intervals, only the open-hole completion described above.

(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.

Overlying Oil & Gas Zone (Using KB of 3,470'):

Overlying on a o	
Delaware	4995
Bell Canyon	5006
Cherry Canyon	5703
Brushy Canyon	7249
Bone Spring	8588
Avalon	9051
1st Bone Spring	9492
2nd Bone Spring	10121
3rd Bone Spring	11021
Wolfcamp	11427
Strawn	11924
Atoka	12157
Morrow	12768

Underlying Oil & Gas Zones:

The Devonian and Ellenburger have produced gas within 2-miles of the proposed SWD, according to data available from OCD. Depth of production from these wells range from about 14,000 to 17,000 feet below grade.

IV. Is this an expansion of an existing project $_{\rm No.}$

V. Attach a map 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

Plate 1a identifies all OCD listed wells and API numbers and shows circles with radii of 0.5, 1.0, and 2.0 miles. Note that where numerous wells are closely spaced, the API number may not be labeled for clarity. New wells, active wells, plugged wells, and canceled wells have color-coded symbols. Plate 1b shows only new and active wells and circles with radii of 0.5 and 1.0 miles.

Plate 2 identifies the leases within 2-miles of the proposed SWD as well as leases within the 1-mile area of review.

- Plate 2a presents the lease numbers for the SLO and BLM oil and gas leases. Also shown is mineral rights owned by the U.S. that are unleased at this time.
- Plate 2b presents land ownership for the same area and identifies the oil and gas mineral rights ownership.

Table 1 and Table 2 identify all affected persons within the 1 mile area of review

- Table 1 lists all of the Oil and Gas Well Operators shown on Plate 1a within the circle having a 1.0 mile radius.
- Table 2 lists all leasees, leassors/mineral interests and surface owners (affected persons) within the 1-mile AOR presented on Plate 2a.

Note that Plate 2a shows unleased land within 1-mile of the proposed SWD as

- ➤ the northeast ¼ of Section 25 T22S R34E
- \succ the southeastern 40 acres of Section 24 and
- \blacktriangleright the southwest 1/4 of Section 19.

Plate 2a shows that the mineral are owned by the U.S. Plate 2b shows the surface of these areas are owned by the State of NM and the Federal Government. Table 2 also provides this information.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail

Table 1 shows that there are no wells that penetrate the proposed injection zone.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected

Proposed Maximum Injection Rate: 40,000 bbl/day Proposed Average Injection Rate: 30,000 bbl/day

2. Whether the system is open or closed

This is will be an open system. All AWR Disposal, LLC SWDs may receive produced water from recycling storage facilities, such as in-ground containments or above-ground steel-walled containments, which are registered or permitted under Rule 34.

3. Proposed average and maximum injection pressure

Proposed Maximum Injection Pressure: 3,000 psi Proposed Average Injection Rate: 2,000 psi

4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water

The attached Table 3 "Produced Water Chemistry of Nearby Wells" provides the requisite analyses. The Delaware and Bone Spring Formations are the subjects of the analyses. These formations and the Wolfcamp will provide most of the produced water to the proposed SWD. At the time of writing, we are unaware of any problems associated with disposal of produced water derived from any Formations into the Devonian, Fusselman and Montoya injection zone.

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.).

Table 4 presents formational water quality data from the Go-Tech site for Devonian-Fusselman-Montoya producing wells. As stated above, we are unaware of any problems associated with disposal of produced water derived from the Delaware, Avalon, Bone Spring, and Wolfcamp Formations into the Devonian, Fusselman and Montoya injection zone.

*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth.

The proposed injection intervals include the Devonian, Fusselman and Montoya in an open-hole interval. The proposed injection intervals in the Pre-Mississippian Carbonates are well cemented and will provide the necessary open hole integrity while allowing salt water to be injected. Because of the competency of the rock, the open hole section has very little chance of collapsing. As indicated in Section III.A.2, the approximate depths to the top of the Devonian and the base of the Montoya are 15,104 and 17,298 respectively. The depth interval of the injection interval is 15,134-17,268 (2,134 feet), within the Devonian, Fusselman and Montoya Formations.

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 Rustler Formation and the Chinle Formation yield water to supply wells in southeastern Eddy County and southwestern Lea County. In the immediate area of the Schooner SWD #1, alluvial fill is also a water source. The closest water wells are CP-865 and CP-1705. Google Earth evaluation shows that CP-865, located about 1.5 miles northeast of the SWD location, provides water to E&P operations and is an active well in 2017. CP-1705 is slightly less than 1.5 miles southeast of the proposed SWD and was drilled to a total depth of 700 feet. Groundwater was encountered from 270 feet to total depth. Both wells probably produce water from alluvium overlying the Chinle Formation.

In this area of Lea County, the Chinle and/or Alluvium yield water to wells from 100-200 feet below the ground surface (bgs) to a depth of about 900 feet. The upper portion of the Rustler Formation yields fresh water to wells in Lea County and in the area of the Schooner SWD #1, the depth interval of this potential source of fresh water is about 2250 to 2600 feet. The OSE database contains one excellent drillers log (CP-1705) that allows us to conclude that alluvium provides water for use in this area.

The locations of all water supply wells listed in public databases are shown in Plate 3b. As stated above, the closest active wells are about 1.5 miles from the proposed location. The location of nearby mapped surface water bodies are shown in Plate 4. No mapped surface water exists within the Area of Review.

IX. Describe the proposed stimulation program, if any

A cleanup acid job may be used to remove mud and drill cuttings from the formation. However, no other formation stimulation is currently planned.

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted)

Logs will be submitted to OCD upon completion of the well.

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken No active water supply wells with water chemistry data were identified within one mile of the proposed SWD. Data from various sources permit a conclusion that groundwater within the Chinle Formation is potable. In this area, groundwater in the underlying Rustler formation may be relatively brackish.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water

Randall T. Hicks, a Professional Geologist with decades of experience in hydrogeology, affirms, on behalf of AWR Disposal, LLC, that

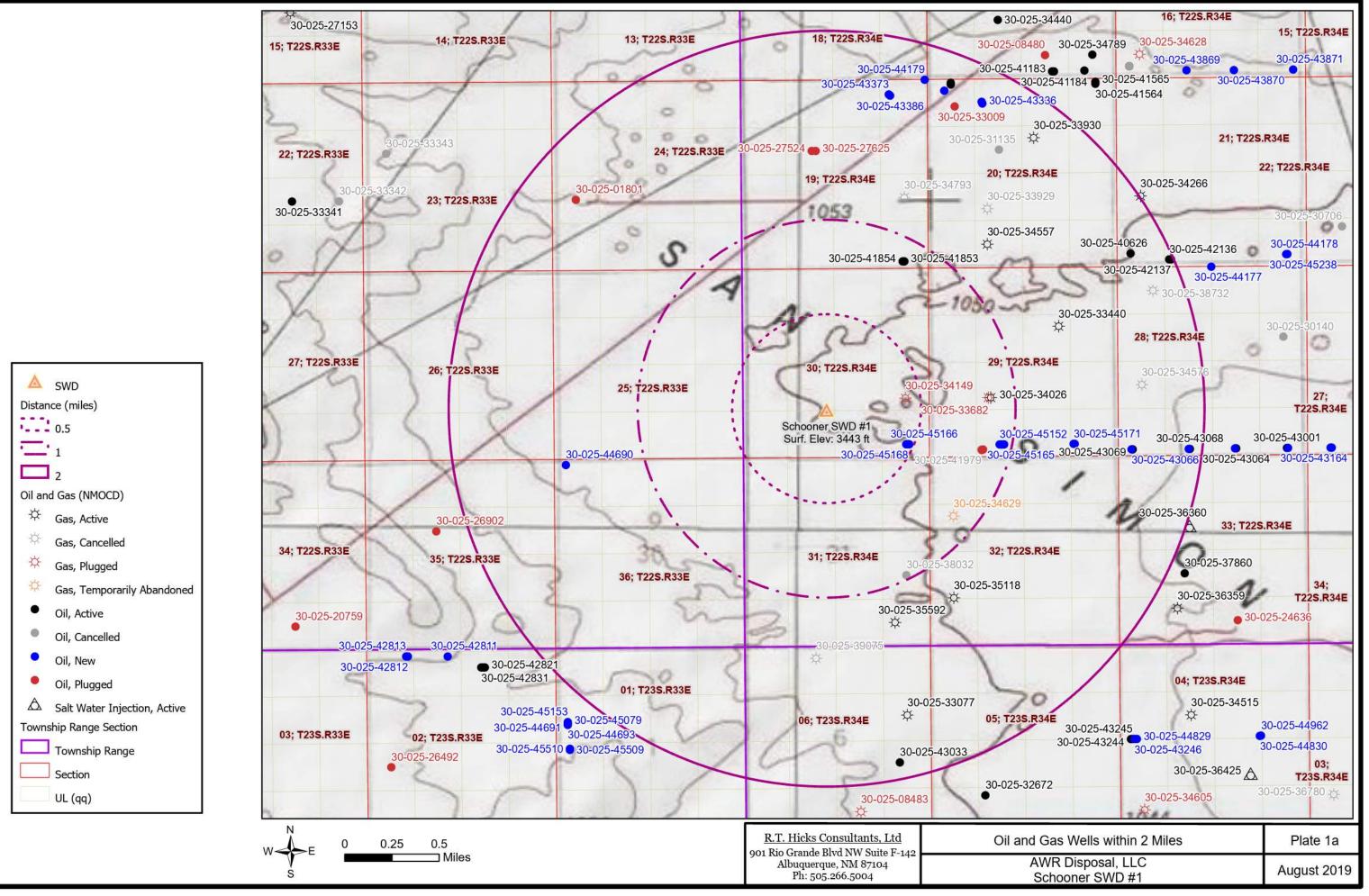
- The USGS has mapped quaternary faults in New Mexico and no such faults are mapped in the area of the proposed Schooner SWD #1¹
- The Texas Bureau of Economic Geology has mapped older faults (e.g. basement and Woodford) in New Mexico and the closest mapped fault is less than ¹/₄ mile to the west²
- With respect to migration of produced water from the injection zone to underground sources of drinking water via faults or other natural conduits, the following conditions were considered
 - The lowest underground source of drinking water is the middle and upper Rustler Formation.
 - More than 10,000 feet of sedimentary rock separates the bottom of the Rustler Formation and the top of the injection zone. Many of the formations that lie between the injection zone and the lowermost aquifer are permeable and contain oil, gas or water at various pressures. Any excursion of injected fluids from the Devonian disposal zone would undoubtedly enter these permeable formations prior to moving into the Rustler Formation.
 - There is no evidence that the pressure regime in the oil and gas reservoirs is sufficient to cause the upward migration of formation water through the bedded salt and into the Rustler or Chinle aquifers.
- There is no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water

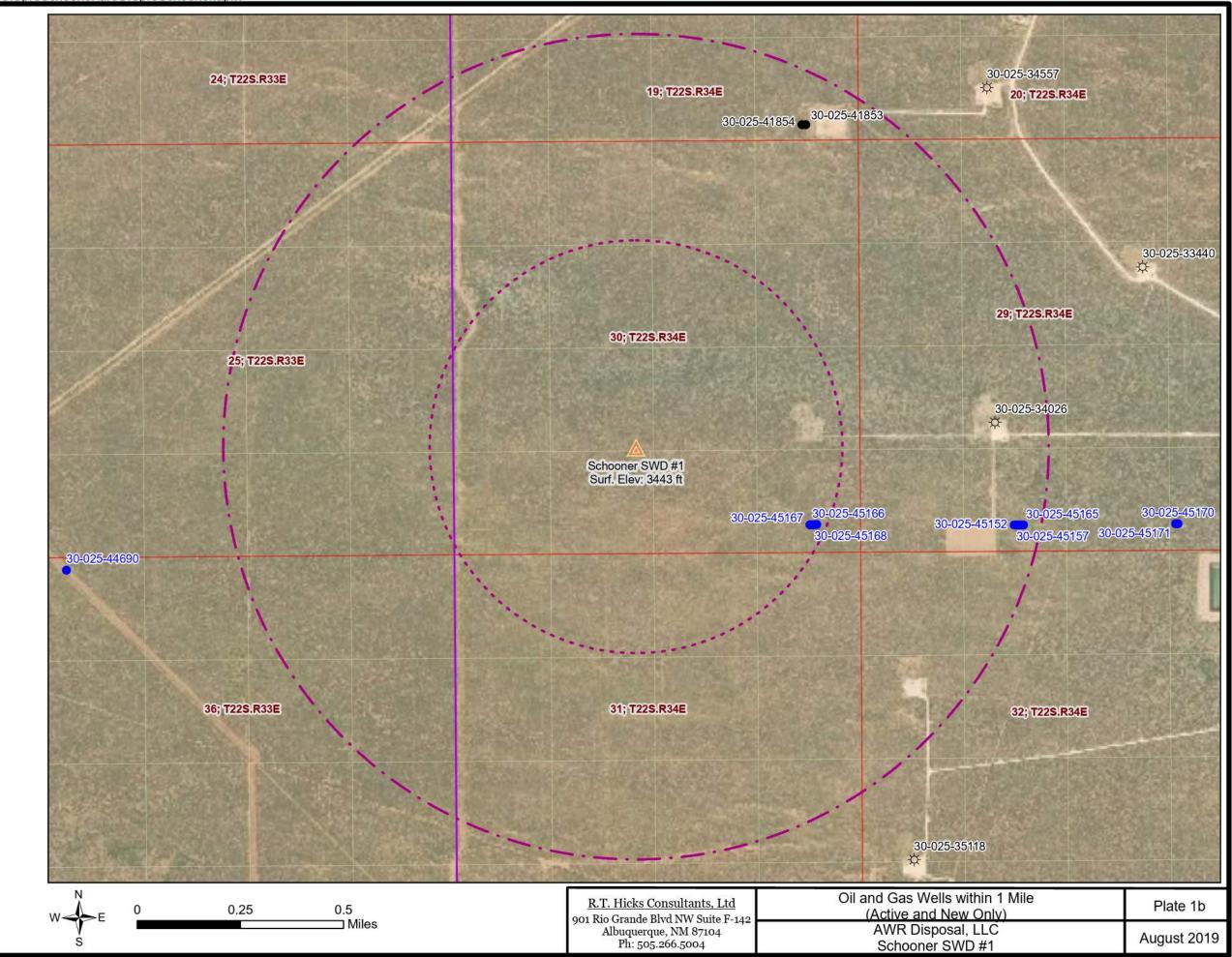
 $[\]label{eq:linear} {}^{1}\ \underline{https://usgs.maps.arcgis.com/apps/webappviewer/index.html?id=5a6038b3a1684561a9b0aadf88412fcf}$

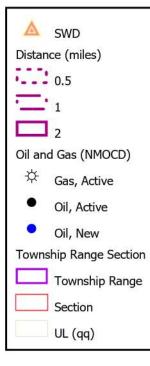
² Bureau of Economic Geology (Accessed April 2019). University of Texas at Austin. Basement Faults (Ewing 1990, Tectonic Map of Texas); Precambrian Faults (Frenzel et al. 1988, Figure 6); Woodord Faults (Comer 1991, plate 1). <u>Http://www.beg.utexas.edu/resprog/permianbasin/gis.htm</u>

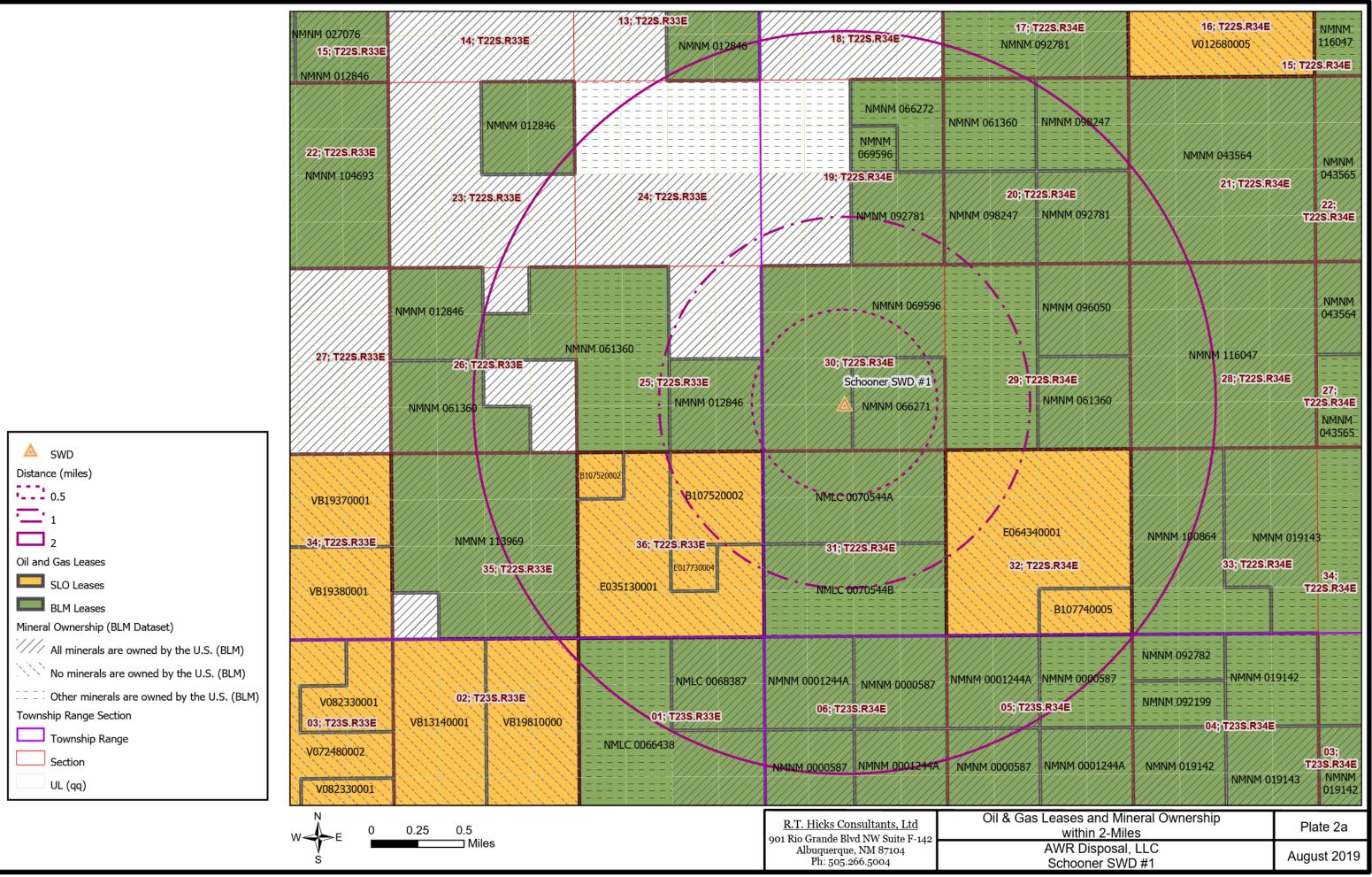
Plates

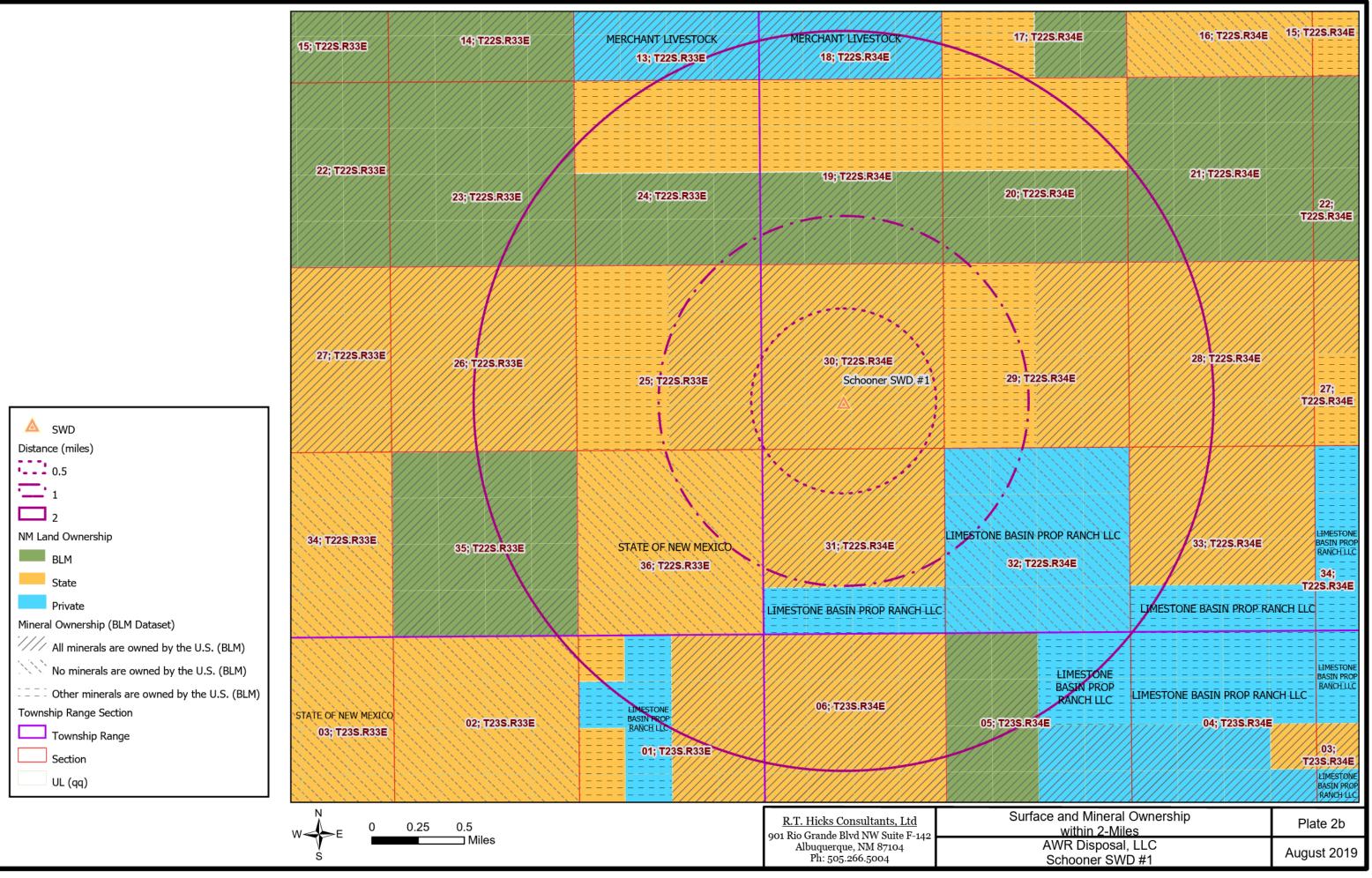
Plates 1	OCD wells within the area of review
Plate 1a	Oil and Gas Wells within 2 Miles
Plate 1b	Oil and Gas Wells within 1 mile (active and new only)
Plate 2	Mineral leases within the area of review
Plate 2a	Oil and Gas Leases with Mineral Ownership within 2 miles
Plate 2b	Surface and Mineral Ownership within 2 Miles
Plates 3	Water supply wells within the area of review
Plate 3a	Water Wells with Potentiometric and Geology
Plate 3b	Nearby OSE Water Wells
Plate 4	Surface water within the area of review

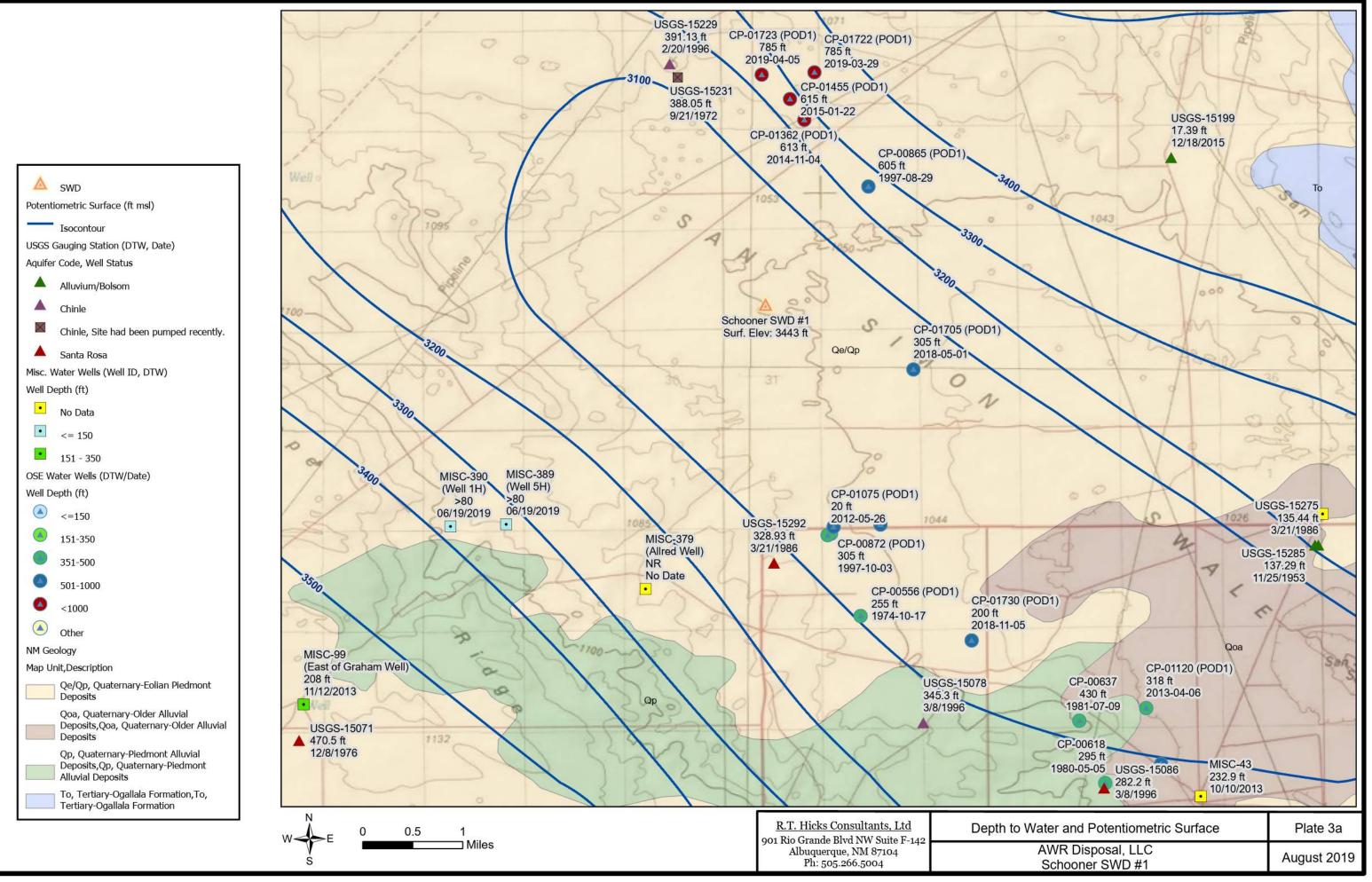


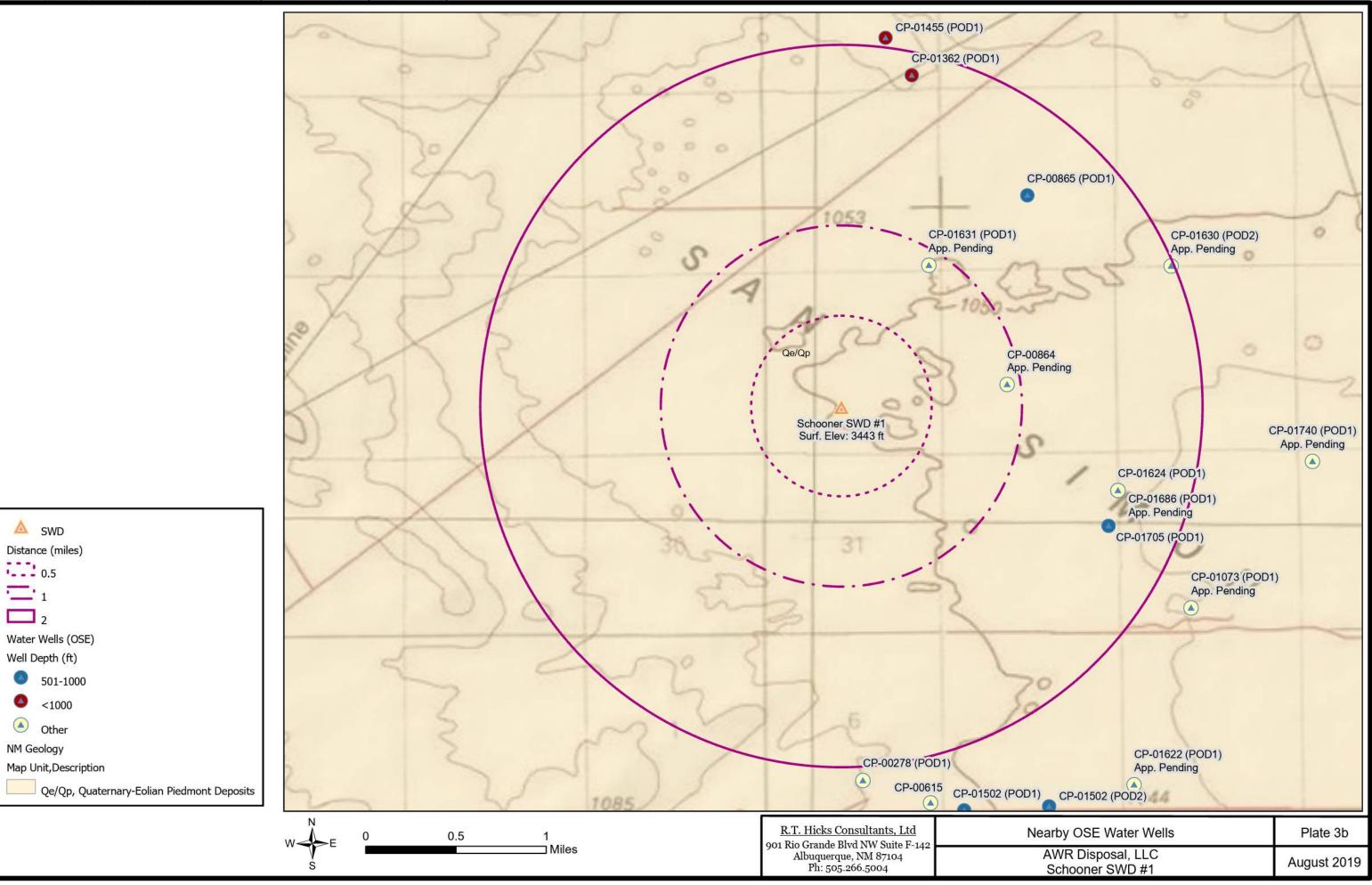


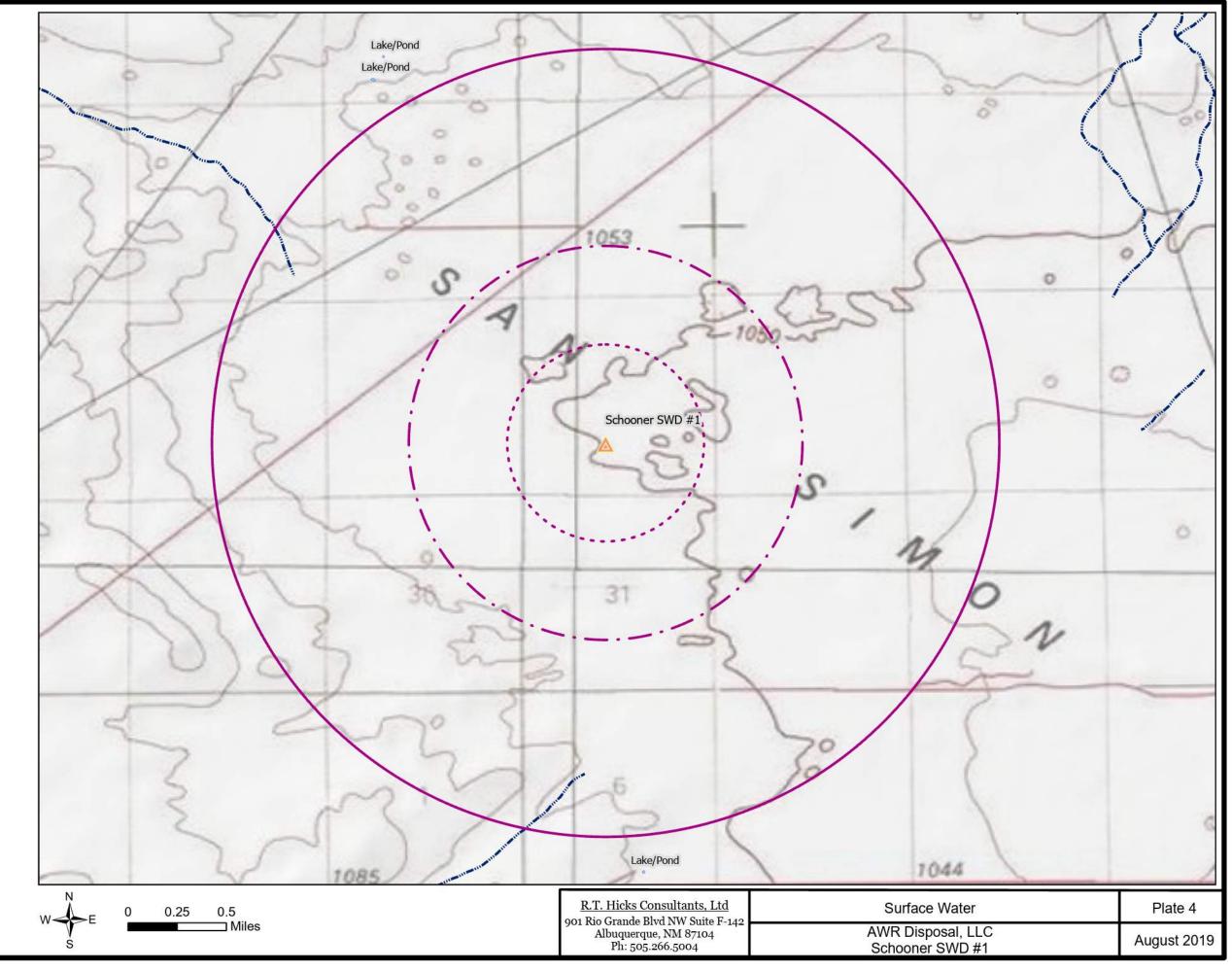


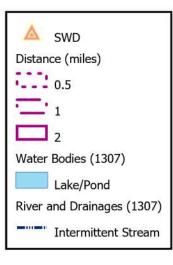












Tables

Table 1	Oil&Gas Well Operators (Affected Persons) within 1-mile
Table 2	Oil&Gas Mineral Interests & Affected Persons within 1-mile
Table 3	Produced Water Chemistry of Nearby Wells
Table 4	Formational water quality data

Table 1 Oil & Gas Well Operators (Affected Persons) within 1-Mile AOR

API	OGRID	OGRID Name	Well Type	Status	Well Name	District	UL-S-T-R	Total Depth	Pool ID
30-025-33682	20305	DEVON SFS OPERATING INC	G	Р	GAUCHO UNIT #002	1	K-29-22S-34E	3783	
30-025-34026	6137	DEVON ENERGY PRODUCTION COMPANY, LP	G	Α	GAUCHO UNIT #002Y	1	K-29-22S-34E	13340	[96665] OJO CHISO, MORROW, WEST (GAS)
30-025-34149	6137	DEVON ENERGY PRODUCTION COMPANY, LP	G	Р	GAUCHO UNIT #005	1	I-30-22S-34E	13450	[96665] OJO CHISO, MORROW, WEST (GAS)
30-025-34629	12361	KAISER-FRANCIS OIL CO	G	E	BELL LAKE UNIT #020	1	E-32-22S-34E	13370	[96665] OJO CHISO, MORROW, WEST (GAS);
30-023-34029	12301	RAISER-FRANCIS DIE CO	G	E	BELL LAKE UNIT #020	Ţ	E-32-223-34E	13370	[97630] BELL LAKE, DELAWARE, NORTHEAST
30-025-38032	6137	DEVON ENERGY PRODUCTION COMPANY, LP	0	С	BELL LAKE UNIT #023I	1	I-31-22S-34E	0	
30-025-41853	6137	DEVON ENERGY PRODUCTION COMPANY, LP	0	Α	GAUCHO UNIT #016H	1	P-19-22S-34E	10393	[97922] WC-025 G-06 S223421L, BONE SPRING
30-025-41854	6137	DEVON ENERGY PRODUCTION COMPANY, LP	0	Α	GAUCHO UNIT #017H	1	P-19-22S-34E	10582	[97922] WC-025 G-06 S223421L, BONE SPRING
30-025-41978	6137	DEVON ENERGY PRODUCTION COMPANY, LP	0	Р	GAUCHO UNIT #020	1	N-29-22S-34E	1688	[97922] WC-025 G-06 S223421L, BONE SPRING
30-025-41979	6137	DEVON ENERGY PRODUCTION COMPANY, LP	0	С	GAUCHO UNIT #021C	1	N-29-22S-34E	0	[97922] WC-025 G-06 S223421L, BONE SPRING
30-025-42778	6137	DEVON ENERGY PRODUCTION COMPANY, LP	0	Р	GAUCHO UNIT #020Y	1	N-29-22S-34E	3798	[97922] WC-025 G-06 S223421L, BONE SPRING
30-025-45152	6137	DEVON ENERGY PRODUCTION COMPANY, LP	0	Ν	GAUCHO UNIT #037H	1	N-29-22S-34E	0	[97922] WC-025 G-06 S223421L, BONE SPRING
30-025-45157	6137	DEVON ENERGY PRODUCTION COMPANY, LP	0	Ν	GAUCHO UNIT #153H	1	N-29-22S-34E	0	[97922] WC-025 G-06 S223421L, BONE SPRING
30-025-45158	6137	DEVON ENERGY PRODUCTION COMPANY, LP	0	Ν	GAUCHO UNIT #152H	1	N-29-22S-34E	0	[97922] WC-025 G-06 S223421L, BONE SPRING
30-025-45165	6137	DEVON ENERGY PRODUCTION COMPANY, LP	0	Ν	GAUCHO UNIT #024H	1	N-29-22S-34E	0	[97922] WC-025 G-06 S223421L, BONE SPRING
30-025-45166	6137	DEVON ENERGY PRODUCTION COMPANY, LP	0	Ν	GAUCHO UNIT #026H	1	P-30-22S-34E	0	[97922] WC-025 G-06 S223421L, BONE SPRING
30-025-45167	6137	DEVON ENERGY PRODUCTION COMPANY, LP	0	Ν	GAUCHO UNIT #028H	1	P-30-22S-34E	0	[97922] WC-025 G-06 S223421L, BONE SPRING
30-025-45168	6137	DEVON ENERGY PRODUCTION COMPANY, LP	0	Ν	GAUCHO UNIT #031H	1	P-30-22S-34E	0	[97922] WC-025 G-06 S223421L, BONE SPRING
30-025-45169	6137	DEVON ENERGY PRODUCTION COMPANY, LP	0	Ν	GAUCHO UNIT #033H	1	P-30-22S-34E	0	[97922] WC-025 G-06 S223421L, BONE SPRING
30-025-45172	6137	DEVON ENERGY PRODUCTION COMPANY, LP	0	Ν	GAUCHO UNIT #089H	1	N-29-22S-34E	0	[97922] WC-025 G-06 S223421L, BONE SPRING

AWR Disposal, LLC Schooner SWD #1

Township	Range	Section	Unit Letter	Lease Number	Leasee (O & G Minerals)	Leassor (O & G Minerals)	Surface Owner	UPC
22S	33E	24	Р		Not Leased	BLM (U.S.)	Bureau of Land Mangement	4200127109179
22S	33E	25	А		Not Leased	BLM (U.S.)	State of New Mexico	4200127109179
22S	33E	25	В		Not Leased	BLM (U.S.)	State of New Mexico	4200127109179
22S	33E	25	F	NMNM 061360	ENGLE FRED L	BLM (U.S.)	State of New Mexico	4197131134266
22S	33E	25	G		Not Leased	BLM (U.S.)	State of New Mexico	4200127109179
22S	33E	25	Н		Not Leased	BLM (U.S.)	State of New Mexico	4200127109179
22S	33E	25	I	NMNM 012846	MCLANE MONTY D	BLM (U.S.)	State of New Mexico	4200127109179
22S	33E	25	J	NMNM 012846	MCLANE MONTY D	BLM (U.S.)	State of New Mexico	4200127109179
22S	33E	25	К	NMNM 061360	ENGLE FRED L	BLM (U.S.)	State of New Mexico	4197131134266
22S	33E	25	Ν	NMNM 061360	ENGLE FRED L	BLM (U.S.)	State of New Mexico	4197131134266
22S	33E	25	0	NMNM 012846	MCLANE MONTY D	BLM (U.S.)	State of New Mexico	4200127109179
22S	33E	25	Р	NMNM 012846	MCLANE MONTY D	BLM (U.S.)	State of New Mexico	4200127109179
22S	33E	36	Α	B107520002	CONOCOPHILLIPS COMPANY	State	State of New Mexico	4197132266265
22S	33E	36	В	B107520002	CONOCOPHILLIPS COMPANY	State	State of New Mexico	4197132266265
22S	33E	36	С	E035130001	KAISER-FRANCIS OIL CO	State	State of New Mexico	4197132266265
22S	33E	36	G	B107520002	CONOCOPHILLIPS COMPANY	State	State of New Mexico	4197132266265
22S	33E	36	Н	B107520002	CONOCOPHILLIPS COMPANY	State	State of New Mexico	4197132266265
22S	33E	36	I	E035130001	KAISER-FRANCIS OIL CO	State	State of New Mexico	4197132266265
22S	34E	19	J	NMNM 092781	DEVON ENERGY PROD CO LP	BLM (U.S.)	Bureau of Land Mangement	4200127109179
22S	34E	19	K		Not Leased	BLM (U.S.)	Bureau of Land Mangement	4200127109179
22S	34E	19	М		Not Leased	BLM (U.S.)	Bureau of Land Mangement	4200127109179
22S	34E	19	N		Not Leased	BLM (U.S.)	Bureau of Land Mangement	4200127109179
22S	34E	19	0	NMNM 092781	DEVON ENERGY PROD CO LP	BLM (U.S.)	Bureau of Land Mangement	4200127109179
22S	34E	19	Р	NMNM 092781	DEVON ENERGY PROD CO LP	BLM (U.S.)	Bureau of Land Mangement	4200127109179
22S	34E	20	М	NMNM 098247	CONOCOPHILLIPS CO	BLM (U.S.)	Bureau of Land Mangement	4200127109179
22S	34E	29	С	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	29	D	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	29	E	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	29	F	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	29	K	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	29	L	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	29	М	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	29	N	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	30	A	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	30	В	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	30	С	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	30	D	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	30	E	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	30	F	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	30	G	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	30	Н	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	30		NMNM 066271	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	30	J	NMNM 066271	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	30	K	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323

Township	Range	Section	Unit Letter	Lease Number	Leasee (O & G Minerals)	Leassor (O & G Minerals)	Surface Owner	UPC
22S	34E	30	L	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	30	М	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	30	N	NMNM 069596	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	30	0	NMNM 066271	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	30	Р	NMNM 066271	DEVON ENERGY PROD CO LP	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	31	А	NMLC 0070544A	CONOCOPHILLIPS CO	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	31	В	NMLC 0070544A	CONOCOPHILLIPS CO	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	31	С	NMLC 0070544A	CONOCOPHILLIPS CO	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	31	D	NMLC 0070544A	CONOCOPHILLIPS CO	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	31	E	NMLC 0070544A	CONOCOPHILLIPS CO	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	31	F	NMLC 0070544A	CONOCOPHILLIPS CO	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	31	G	NMLC 0070544A	CONOCOPHILLIPS CO	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	31	Н	NMLC 0070544A	CONOCOPHILLIPS CO	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	31		NMLC 0070544B	KAISER FRANICS OIL	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	31	J	NMLC 0070544B	KAISER FRANICS OIL	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	31	K	NMLC 0070544B	KAISER FRANICS OIL	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	31	L	NMLC 0070544B	KAISER FRANICS OIL	BLM (U.S.)	State of New Mexico	4202133328323
22S	34E	32	С	E064340001	CONOCOPHILLIPS COMPANY	State	LIMESTONE BASIN PROP RANCH LLC	4199132265265
22S	34E	32	D	E064340001	CONOCOPHILLIPS COMPANY	State	LIMESTONE BASIN PROP RANCH LLC	4199132265265
22S	34E	32	E	E064340001	CONOCOPHILLIPS COMPANY	State	LIMESTONE BASIN PROP RANCH LLC	4199132265265
22S	34E	32	F	E064340001	CONOCOPHILLIPS COMPANY	State	LIMESTONE BASIN PROP RANCH LLC	4199132265265
22S	34E	32	L	E064340001	CONOCOPHILLIPS COMPANY	State	LIMESTONE BASIN PROP RANCH LLC	4199132265265

wellname	api	latitude	longitude	section	township	range	unit ft	ns ftgew	county	state	sampledate	ph	tds mgL	resistivity ohm cm	sodium mgL	calcium mgL	iron mgL	magnesium mgL	manganese mgL	chloride mgL	bicarbonate mgL	sulfate mgL	co2 mgL
GAUCHO UNIT #011H	3002541184	323.850.060.003	-1.034.891.129	17	225			05 1730F	IFA	NM	2/20/2015 12:00:00 AM	6.8	tus_mge	resistanty_onni_en	43301	5338	0	769	0	78300	122	640	120
NEW MEXICO BS STATE #001	3002508468	324.188.576.002	-1.034.170.074	1	225	34E	-	30S 660E	LEA	NM	2/20/2013 12:00:00 / 11	0.0	129792		45501	5550	Ŭ	705	ů	70560	412	9365	110
SLATTERY PERMIT #001	3002508473	324.071.235.997	-1.035.080.338	7	225	-	G 23			NM			4460							2502	158	243	
GAUCHO UNIT #001	3002533440	323.654.174.999	-103.488.884	29	225		G 16		LEA	NM	5/19/2001 12:00:00 AM	7.83	19593.3		6825.3	543	49	70		11533	450	39	90
GAUCHO 21 FEDERAL #001	3002534266	323.753.890.997	-1.034.813.843	21	225	34E		30S 660W	LEA	NM	5/19/2001 12:00:00 AM	6.67			2079.6	215	25	30		3593	183	39	90
GAUCHO UNIT #003	3002534557	323.717.728.001	-103.495.277.401	20	225			0S 1650W	-	NM	5/19/2001 12:00:00 AM	5.02			118.9	18	83	2		200	109.8	92	125
GAUCHO UNIT #006	3002534789	323.862.647.996	-1.034.856.415	17	225	34E		OS 660E	LEA	NM	5/19/2001 12:00:00 AM	5.98			16350.9	1379	150	162		28247	158.6	152	175
GAUCHO UNIT #011H	3002541184	323.850.060.003	-1.034.891.129	17	225		0 20		LEA	NM	9/30/2015 12:00:00 AM	7.5		0.041	48642.5	6969.8	30.2	943.9	1.46	97977.9	305	1005	470
GAUCHO UNIT #012H	3002541564	323.840.370.001	-1.034.853.745	20	225	34E	A 27	5N 575E	LEA	NM	9/30/2015 12:00:00 AM	7	109808.2	0.058	35202.7	5341.4	30.8	755.2	0.62	66984.9	280.6	1030	320
GAUCHO UNIT #013H	3002541565	323.841.743.003	-1.034.853.745	20	225		A 22	5N 575E	LEA	NM	9/30/2015 12:00:00 AM	7.5	139904.6	0.046	46238.1	6396.8	47.2	863.7	2.1	85080.8	292.8	740	550
GAUCHO UNIT #015H	3002541566	323.841.896	-1.034.984.589	20	225	34E	D 10	ON 660W	LEA	NM	9/30/2015 12:00:00 AM	7.5	184420.1	0.035	55686.4	10540.1	47.6	1426	1.31	115274	268.4	765	770
GAUCHO UNIT #007H	3002534440	323.889.961.003	-1.034.941.711	17	225	34E	K 16	0S 1980W	LEA	NM	09/05/2014 0:00	6.4	151777.7		50554.2	5768.6	86.9	717.9	1.29	91600	244	0	200
GAUCHO 21 FEDERAL #002H	3002540626	323.709.793.001	-1.034.823.151	21	225	34E	M 37	5S 375W	LEA	NM	9/25/2014 12:00:00 AM	5.9	266467.8		71664.2	20660.8	50.2	3492.5	3.8	167562	366	0	400
GAUCHO UNIT #006	3002534789	323.862.647.996	-1.034.856.415	17	225	34F	P 66		IFA	NM	10/06/2014 0:00		107770.6		36197.3	4012.5	176.5	596.2	2.69	63874.9	244	0	400
GAUCHO UNIT #010H	3002541183	323.850.060.002	-1.034.892.731	17	225	34E	0 20	OS 1780E	LEA	NM	3/20/2015 12:00:00 AM	6.4			46191	3712	0	560	0	79230	183	700	100
GAUCHO UNIT #007H	3002534440	323.889.961.003	-1.034.941.711	17	225	-	K 16		-	NM	05/06/2015 0:00	6.7			49601	21	0	1	0	76000	281	586	352
RIO BLANCO 33 FEDERAL #001	3002536359	323.436.927.996	-1.034.783.325	33	225	34F	N 10		LEA	NM	09/08/2004 0:00	6.3	62533.4		20306.4	2713	6	404	-	37110	270	966	
BIO BLANCO 33 FEDERAL #002	3002536360	323,499,985,004	-1.034.771.576	33	225	34F	F 19			NM	09/08/2004 0:00	5.7			0	19	207	4		133	104	15	<u> </u>
RIO BLANCO 33 FEDERAL #001	3002536359	323.436.927.996	-1.034.783.325	33	225	34F	N 10	00S 1620W	IFA	NM	12/16/2004 12:00:00 AM	6.2	68159.8		23712.4	1846	5	299		40341	207.4	1112	85
RIO BLANCO 33 FEDERAL #002	3002536360	323,499,985,004	-1.034.771.576	33	225	34F	F 19	ON 1980W	-	NM	12/16/2004 12:00:00 AM	6.1			25431.7	761	23	99		40139	228.1	1062	100
RIO BLANCO 33 FEDERAL #001	3002536359	323.436.927.996	-1.034.783.325	33	225	34E	N 10	00S 1620W	LEA	NM	4/26/2005 12:00:00 AM	5.8	79359.8		27048.4	2664	12	362		47015	290.4	1270	
RIO BLANCO 33 FEDERAL #001	3002536359	323.436.927.996	-1.034.783.325	33	225	34E	N 10	00S 1620W	LEA	NM	5/23/2005 12:00:00 AM	6	72120.7		24577	2429	44	348		42714	290.4	1178	
RIO BLANCO 33 FEDERAL #002	3002536360	323,499,985,004	-1.034.771.576	33	225	34E	F 19	ON 1980W	LEA	NM	5/23/2005 12:00:00 AM	6	72064.7		24088.8	2661	17	476		42799	290.4	1132	
RIO BLANCO 33 FEDERAL #001	3002536359	323.436.927.996	-1.034.783.325	33	225	34E	N 10	00S 1620W	LEA	NM	6/30/2005 12:00:00 AM	6.1	66506.9		21582.6	2932	8	444		39405	414.8	1022	45
RIO BLANCO 33 FEDERAL #002	3002536360	323,499,985,004	-1.034.771.576	33	225	34E	F 19	ON 1980W	LEA	NM	6/30/2005 12:00:00 AM	6	69796.6		24035.5	2180	3.5	317		41236	456.3	1074	100
RIO BLANCO 33 FEDERAL #003	3002537860	323.463.859.997	-1.034.776.459	33	225	34E	K 19	305 1830W	LEA	NM	05/03/2007 0:00	5.2	222115		59159.9	18937	59	3545	5	136732	219.6	817	200
RIO BLANCO 33 FEDERAL #001	3002536359	323.436.927.996	-1.034.783.325	33	225		N 10	00S 1620W	LEA	NM	7/23/2007 12:00:00 AM	6.1	77880.9		26903.7	2370	2	306	0.3	45432	366	1941	50
RIO BLANCO 33 FEDERAL #003	3002537860	323.463.859.997	-1.034.776.459	33	225	34E	K 19	305 1830W	LEA	NM	7/23/2007 12:00:00 AM	5.6	280006.2		80104.2	21131	35	3442	4	172189	61	879	330
GAUCHO 21 FEDERAL #001	3002534266	323.753.890.997	-1.034.813.843	21	225	34E	L 19	30S 660W	LEA	NM	12/16/2014 12:00:00 AM	6.5			48879	6182	11	802	0.12	88836	122	1240	70
GAUCHO 21 FEDERAL #002H	3002540626	323.709.793.001	-1.034.823.151	21	225	34E	M 37	5S 375W	LEA	NM	12/16/2014 12:00:00 AM	6.5			95433	33964	36	5149	6.9	224384	366	210	200
GAUCHO UNIT #011H	3002541184	323.850.060.003	-1.034.891.129	17	225	34E	0 20	OS 1730E	LEA	NM	12/16/2014 12:00:00 AM	6.5			48879	6182	11	802	0.12	88836	122	1240	70
GAUCHO UNIT #006	3002534789	323.862.647.996	-1.034.856.415	17	225	34E	P 66	OS 660E	LEA	NM	5/13/2015 12:00:00 AM	6.8			32062	4909	163	1027	2.4	61000	305	16	220
RIO BLANCO 33 FEDERAL #001	3002536359	323.436.927.996	-1.034.783.325	33	225	34E	N 10	00S 1620W	LEA	NM	5/13/2015 12:00:00 AM	6			73721	26380	10	2248	3.5	167000	49	167	990
GAUCHO 21 FEDERAL #002H	3002540626	323.709.793.001	-1.034.823.151	21	225	34E	M 37	5S 375W	LEA	NM	5/13/2015 12:00:00 AM	5.8			70837	26020	39	4726	7.7	169000	37	341	880
GAUCHO UNIT #010H	3002541183	323.850.060.002	-1.034.892.731	17	225	34E	0 20	OS 1780E	LEA	NM	5/13/2015 12:00:00 AM	6.8			29047	8190	14	1367	0.41	63000	207	308	176
GAUCHO UNIT #011H	3002541184	323.850.060.003	-1.034.891.129	17	225	34E	0 20	OS 1730E	LEA	NM	5/13/2015 12:00:00 AM	6.8			32064	8057	15	1472	0.58	67000	183	1309	220
GAUCHO UNIT #012H	3002541564	323.840.370.001	-1.034.853.745	20	225	34E	A 27	5N 575E	LEA	NM	5/13/2015 12:00:00 AM	6.9			37508	4553	17	806	0.65	68000	427	97	286
GAUCHO UNIT #013H	3002541565	323.841.743.003	-1.034.853.745	20	225	34E	A 22	5N 575E	LEA	NM	5/13/2015 12:00:00 AM	7			47943	1788	4.2	408	0.11	77000	305	1600	330
GAUCHO UNIT #014H	3002541571	323.840.523.004	-1.034.984.589	20	225	34E	D 15	ON 660W	LEA	NM	5/13/2015 12:00:00 AM	6.7			46477	4803	13	800	1.3	82000	220	624	330
GAUCHO UNIT #007H	3002534440	323.889.961.003	-1.034.941.711	17	225	34E	K 16	0S 1980W	LEA	NM	09/09/2015 0:00	6.5	166697.6	0.038	53586.1	9072	47.4	981.2	1.27	101677.1	61	675	350
RIO BLANCO 33 FEDERAL #003	3002537860	323.463.859.997	-1.034.776.459	33	225	34E	K 19	30S 1830W	LEA	NM	09/09/2015 0:00	5.6	138283.7	0.046	44690.7	7319	28	807.6	0.85	83981.1	366	675	561.2
GAUCHO UNIT #010H	3002541183	323.850.060.002	-1.034.892.731	17	225	34E	0 20	OS 1780E	LEA	NM	09/09/2015 0:00	5.58	165155.1	0.039	52757.1	9222	54.2	1040	1.44	100777.3	219.6	560	600
GAUCHO UNIT #015H	3002541566	323.841.896	-1.034.984.589	20	225		D 10	ON 660W	LEA	NM	09/09/2015 0:00		158146.5	0.04	50243.6	9024	42.8	1042	1.08	96378.3	231.8	710	860
GAUCHO UNIT #015H	3002541566	323.841.896	-1.034.984.589	20	225	34E	D 10	DN 660W	LEA	NM	09/09/2015 0:00	5.42	158146.5	0.04	50243.6	9024	42.8	1042	1.08	96378.3	231.8	710	860

wellname	api	section	township	range	unit	county	state	field	formation	depth	samplesource	sampledate	ph	specificgravity	${ m specificgravity_temp_F}$	tds_mgL	resistivity_ohm_cm	resistivity_ohm_cm_temp_F	conductivity	conductivity_temp_F	sodium_mgL	calcium_mgL	magnesium_mgL	chloride_mgL	bicarbonate_mgL	sulfate_mgL
MCKITTRICK FED #1	3001500135		22S	25E	G	EDDY			DEVONIAN		DST					16200								8762	290	
MCKITTRICK FED #1	3001500135		22S	25E	G	EDDY			DEVONIAN		DST					17510								9389	664	982
CARNERO PEAK UT #001	3001510053		225	25E	A	EDDY			DEVONIAN		DST					14601								7236	515	1487
CARNERO PEAK UT #001	3001510053		225	25E	A	EDDY			DEVONIAN		DST					15780								8126	336	1467
CARNERO PEAK UT #001	3001510053		22S	25E	A	EDDY			DEVONIAN		DST					15580								7853	487	1488
BANDANA POINT UT #001	3001500044		235	23E	0	EDDY		BANDANA POINT	DEVONIAN		DST					15500								8020	500	
TORTOISE ASB COM #001	3001510490		235	24E	G	EDDY			DEVONIAN		DST					17861								7760	490	
TORTOISE ASB COM #001	3001510490		235	24E	G		NM		DEVONIAN	-	DST					15601								7780	476	1600
REMUDA BASIN UNIT #001	3001503691		235	29E	J		NM	REMUDA	DEVONIAN		SWAB					64582								37500	610	1700
REMUDA BASIN UNIT #001	3001503691		235	29E	1	EDDY	NM	REMUDA	DEVONIAN	-	SWAB		_			56922								29000	1740	4980
BELL LAKE UNIT #006	3002508483		235	34E	0	LEA	NM	BELL LAKE NORTH	DEVONIAN		HEATER TREATER	44/44/4057.0.00	/			71078								42200	500	1000
ANTELOPE RIDGE UNIT #003	3002521082		235	34E	K	LEA	NM	ANTELOPE RIDGE	DEVONIAN	-	UNKNOWN	14/11/1967 0:00				80187								47900	476	900
ANTELOPE RIDGE UNIT #003	3002521082		235	34E	K	LEA	NM	ANTELOPE RIDGE	DEVONIAN		UNKNOWN	14/11/1967 0:00	6,9			80187								47900	476	900
CLINE FEDERAL #001	3002510717		235	37E	Δ	LEA LEA	NM NM	CLINE	DEVONIAN DEVONIAN		PRODUCTION TEST					118979 112959								71280 67390	462 288	2593
E C HILL B FEDERAL #001	3002510945		235	37E 37E	н		NM	TEAGUE TEAGUE		-	UNKNOWN													67390	288	2765
E C HILL D FEDERAL #001 E C HILL D FEDERAL #004	3002510947 3002510950		235	37E 37E	A	LEA	NM	TEAGUE	DEVONIAN DEVONIAN		UNKNOWN UNKNOWN					35639 236252								147000	129	781
HUAPACHE #003	3001500020		245	22E	r A		NM	TEAGUE	DEVONIAN		DST					3110								48	246	2020
JURNEGAN POINT #001	3001500020		245	22E 25E	M	EDDY	NM	WILDCAT	DEVONIAN		DST	14/12/1964 0:00	7			229706								48 136964	198	
JURNEGAN POINT #001	3001510280		245	25E	M	EDDY	NM	WILDCAT	DEVONIAN	-	DST	14/12/1964 0:00	7			203100								121100	175	2220
WHITE CITY PENN GAS COM UNIT 1 #001	3001500408		245	26E	A		NM	WIEDCAT	DEVONIAN	+	DST	01/03/1960 0:00		1,012	60	203100	0,36	75	25596	64	6072	1002	132	10120	653	1336
STATE B COM #001	3002509716		245	36E	C	LEA	NM	CUSTER	DEVONIAN		UNKNOWN			_,		176234	-,							107400	128	1004
ELLIOTT H FEDERAL #001	3002512272		245	38E	H	LEA	NM	DOLLARHIDE	DEVONIAN		WELLHEAD					58687										
ELLIOTT H FEDERAL #001	3002512272		245	38E	н	LEA	NM	DOLLARHIDE	DEVONIAN		WELLHEAD					57018										
WEST DOLLARHIDE DEVONIAN UNIT #104	3002512297	32	245	38E	1	LEA	NM	DOLLARHIDE	DEVONIAN		WELLHEAD					50858								30200	183	980
WESTATES FEDERAL #004	3002511389	1	255	37E	E	LEA	NM	JUSTIS NORTH	FUSSELMAN		DST	17/06/1961 0:00	6			80880								46200	340	3050
WESTATES FEDERAL #004	3002511389	1	255	37E	E	LEA	NM	JUSTIS NORTH	FUSSELMAN		DST					84900								48600	840	2650
WESTATES FEDERAL #004	3002511389	1	255	37E	E	LEA	NM	JUSTIS NORTH	FUSSELMAN		DST					72200								41000	370	2960
WESTATES FEDERAL #004	3002511389	1	25S	37E	E	LEA	NM	JUSTIS NORTH	FUSSELMAN		DST					80900								46200	340	3050
WESTATES FEDERAL #004	3002511389		255	37E	E	LEA	NM	JUSTIS NORTH	FUSSELMAN		DST					77600								44000	550	3240
WESTATES FEDERAL #004	3002511389		255	37E	E	LEA	NM	JUSTIS NORTH	FUSSELMAN		DST					135000								77000	650	
WESTATES FEDERAL #004	3002511389		255	37E	E	LEA	NM	JUSTIS NORTH	FUSSELMAN		DST					114000								65000	280	
WESTATES FEDERAL #004	3002511389		25S	37E	E	LEA	NM	JUSTIS NORTH	FUSSELMAN		DST					135000								77000	500	5320
WESTATES FEDERAL #008	3002511393		255	37E	E	LEA	NM	JUSTIS NORTH	FUSSELMAN	-	UNKNOWN					91058								51020	376	4783
WESTATES FEDERAL #008	3002511393		255	37E	E	LEA	NM	JUSTIS NORTH	FUSSELMAN		UNKNOWN					86847								50450	363	2544
STATE NJ A #001	3002511398		255	37E 37E	A	LEA LEA	NM NM	JUSTIS NORTH JUSTIS NORTH	DEVONIAN MONTOYA		DST					105350 77770								59300 45500	660 1800	4950 2400
NEW MEXICO BM STATE #002 HALE STATE #003	3002511407 3002512581		25S 25S	37E 37E	<u> </u>	LEA	NM	JUSTIS NORTH	MONTOYA		UNKNOWN WELLHEAD					64916								45500 37000	1800	
SOUTH JUSTIS UNIT #016F	3002512581		255	37E 37E	F	LEA	NM	JUSTIS NORTH	FUSSELMAN	+	UNKNOWN					57675								34030	595	1211
LEARCY MCBUFFINGTON #008	3002511556		255	37E	N	LEA	NM	203MNTY, 259FSLM	FUSSELMAN	7052		02/01/1900 0:00	76	1,037	78	67909			81429	67		2603	684	38887	742	2489
LEARCY MCBUFFINGTON #008	3002511569		255	37E	N	LEA	NM	JUSTIS	MONTOYA	1.052	UNKNOWN	52, 51, 1500 0.00	,,5	1,057	,,,	67898			51725			2303	504	38880	742	2489
A B COATES C FEDERAL #014	3002511736		255	37E	G	LEA	NM	JUSTIS	MONTOYA	1	UNKNOWN					39261								22840	871	1030
SOUTH JUSTIS UNIT #023C	3002511760		255	37E	c	LEA	NM	JUSTIS	FUSSELMAN		SEPARATOR					63817								35870	360	3442
CARLSON A #002	3002511764		255	37E	1	LEA	NM	JUSTIS	FUSSELMAN	1	DST					208280								124000	510	
STATE Y #009	3002511777		25S	37E	A	LEA	NM	JUSTIS	FUSSELMAN		DST	17/03/1961 0:00	7,3			219570								129000	960	
STATE Y #009	3002511777		255	37E	A	LEA	NM	JUSTIS	FUSSELMAN		DST	18/03/1961 0:00				163430								96000	290	3780
CARLSON B 25 #004	3002511784	25	255	37E	Р	LEA	NM	JUSTIS	FUSSELMAN		SEPARATOR					184030								112900	68	1806
COPPER #001	3002511818		255	37E	1	LEA	NM	CROSBY	DEVONIAN		UNKNOWN					27506								15270	1089	1079
ARNOTT RAMSAY NCT-B #003	3002511863	32	255	37E	A	LEA	NM	CROSBY	DEVONIAN	8797		02/01/1900 0:00		1,142	70							17244	5345	100382	476	
ARNOTT RAMSAY NCT-B #003	3002511863		255	37E	A	LEA	NM	CROSBY	DEVONIAN		UNKNOWN					158761										
WEST DOLLARHIDE DEVONIAN UNIT #110	3002512386	5	255	38E	В	LEA	NM	DOLLARHIDE	DEVONIAN		UNKNOWN					56776										

XIII.Applicants must complete the "Proof of Notice" section on the reverse side of this form.

R. T. HICKS CONSULTANTS, LTD.

901 Rio Grande Blvd NW ▲ Suite F-142 ▲ Albuquerque, NM 87104 ▲ 505.266.5004 ▲ Since 1996 Artesia ▲ Carlsbad ▲ Durango ▲ Midland

August 24, 2019

Hobbs News Sun 201 N. Thorp P.O. Box 850 Hobbs, N.M. 88240

LEGAL NOTICE

AWR Disposal LLC, 3300 N. A Street, Ste. 220, Midland, TX 79705 filed Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The proposed well, the Schooner SWD #1 will be located 1,390 feet from the South line and 2,343 feet from the West line, Section 30, Township 22 South, Range 34 East, Lea County, New Mexico.

Produced water from area production will be commercially disposed into the Devonian, Fusselman and Montoya Formations at a depth of 15,134 feet to 17,268 feet at a maximum surface pressure of 3,000 psi and an average injection rate of 30,000 barrels per day. The proposed SWD well is located approximately 28.3 miles southwest of Eunice, New Mexico.

Interested parties wishing to object to the proposed application must file with the New Mexico Oil Conservation Division, 1220 S. St. Francis Dr., Santa Fe, NM 87505 (505) 476-3460 within 15 days of the date of this notice.

Additional information can be obtained by contacting Mr. Randall Hicks, agent for Accelerated Water Resources, LP, at 505-238-9515.

Sincerely, R.T. Hicks Consultants

Randall Hicks Principal

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated August 24, 2019 and ending with the issue dated August 24, 2019.

Reusisa

Publisher

Sworn and subscribed to before me this 24th day of August 2019.

Business Manager

My commission expires January 29, 2023 (Seal)

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL NOTICE AUGUST 24, 2019

AWR Disposal LLC, 3300 N. A Street, Ste. 220, Midland, TX 79705 filed Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The salt water disposal well. The salt water disposal well. The proposed well, the Schooner SWD #1 will be located 1,390 feet from the South line and 2,343 feet from the West line, Section 30, Township 22 South, Range 34 East, Lea County, New Mexico.

34 East, Lea County, New Mexico. Produced water from area production will be commercially disposed into the Devonian, Fusselman and Montoya Formations at a depth of 15,134 feet to 17,268 feet at a maximum surface pressure of 3,000 psi and an average injection rate of 30,000 barrels per day. The proposed SWD well is located approximately 283 miles southwest of Eunice, New Mexico.

Interested parties wishing to object to the proposed application must file with the New Mexico Oil Conservation Division, 1220 S. St. Francis Dr., Santa Fe, NM 87505 (505) 476-3460 within 15 days of the date of this notice.

Additional information can be obtained by contacting Mr. Randall Hicks, agent for Accelerated Water Resources, LP, at 505-238-0515 9515.

Sincerely, R.T. Hicks Consultants Randall Hicks Principal #34628

67115764

RANDALL HICKS R.T. HICKS CONSULTANTS, LTD 901 RIO GRANDE BLVD NM SUITE F-142 ALBUQUERQUE, NM 87104

00232540

R. T. HICKS CONSULTANTS, LTD.

901 Rio Grande Blvd NW ▲ Suite F-142 ▲ Albuquerque, NM 87104 ▲ 505.266.5004 ▲ Since 1996 Artesia ▲ Carlsbad ▲ Durango ▲ Midland

August 23, 2019

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

To Whom It May Concern:

AWR Disposal, LLC, Midland, Texas, has made application to the New Mexico Oil Conservation Division to drill and complete, for salt water disposal, the **Schooner SWD #1.** The proposed commercial operation will be for produced water disposal from area operators. As indicated in the notice below, the well is in Section 30, Township 22 South, Range 34 East in Lea County, New Mexico.

The published notice states that the interval will be from 15,134 feet to 17,268 feet into the Devonian, Fusselman and Montoya Formations.

LEGAL NOTICE

AWR Disposal LLC, 3300 N. A Street, Ste. 220, Midland, TX 79705 filed Form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The proposed well, the Schooner SWD #1 will be located 1,390 feet from the South line and 2,343 feet from the West line, Section 30, Township 22 South, Range 34 East, Lea County, New Mexico.

Produced water from area production will be commercially disposed into the Devonian, Fusselman and Montoya Formations at a depth of 15,134 feet to 17,268 feet at a maximum surface pressure of 3,000 psi and an average injection rate of 30,000 barrels per day. The proposed SWD well is located approximately 28.3 miles southwest of Eunice, New Mexico.

Interested parties wishing to object to the proposed application must file with the New Mexico Oil Conservation Division, 1220 S. St. Francis Dr., Santa Fe, NM 87505 (505) 476-3460 within 15 days of the date of this notice.

You have been identified as a party who may be interested as an offset lessee or operator. IF YOU WOULD LIKE AN ELECTRONIC COPY OF THE ENTIRE PERMIT PACKAGE, PLEASE SEND YOUR REQUEST TO david@rthicksconsult.com (request a read receipt to avoid your email becoming stuck in spam).

Thank you for your attention in this matter.

Sincerely, R.T. Hicks Consultants

Randall Hicks Principal

OPERATORS, LEASEHOLDERS AND SURFACE OWNERS WITHIN 1 MILE -RADIUS

Bureau of Land Management	ConocoPhillips	DEVON ENERGY PRODUCTION CO.
Schooner SWD #1	Schooner SWD #1	Schooner SWD #1
620 E. Greene Street	Attn: Lakeiva Noel	333 West Sheridan Ave.
Carlsbad, NM 88220-6292	PO Box 2197	Oklahoma City, OK 73102
	Houston, TX 77252	
ENGLE FRED L	KAISER-FRANCIS OIL CO	LIMESTONE BASIN PROP RANCH LLC
Schooner SWD #1	Schooner SWD #1	Schooner SWD #1
PO BOX 26245	6733 S YALE AVE	18 DESTA DRIVE
MILWAUKEE, WI 53226	TULSA, OK, OK 74136	MIDLAND, TX 79705
MCLANE MONTY D	New Mexico State Land Office	DEVON SFS OPERATING INC
Schooner SWD #1	Schooner SWD #1	Schooner SWD #1
BOX 9451	310 Old Santa Fe Trail	20 N. BROADWAY
MIDLAND, TX 79708	Santa Fe, NM 87501	STE 1500
		OKLAHOMA CITY, OK 73102







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	Total Postage and Fees ConocoPhillips \$ 4.85 ConocoPhillips Sent To Schooner SWD #1											
PLD5	Street and Apt. No., or PO Box No. PO Box 2197											
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	City, State, 21P+4° Olcanomacity, DX 73102
	PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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August 23, 2019

Mr. Phillip Goetze, P.G. New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505

RE: AWR Disposal, LLC Schooner SWD #1 UL K, Section 30 T22S R34E, Lea County

Dear Mr. Goetze:

On behalf of AWR Disposal LLC, R.T. Hicks Consultants is providing data and an opinion regarding the probability that injection of wastewater in the above referenced well at the proposed rates will cause seismic events of sufficient magnitude to create damage. It is our understanding that OCD is interested in such an opinion as part of the SWD approval process. We elected to provide this opinion as a separate submission as the C-108 does not specifically require such an opinion.

We relied upon the following data to develop our opinion

- State of stress in the Permian Basin, Texas and New Mexico: Implications for induced seismicity, Jens-Erik Lund Snee and Mark D. Zoback, The Leading Edge, February 2018¹
- Plate 5, which is reproduced from the Snee and Zoback publication, which uses the following references
 - Crone, A. J., and R. L. Wheeler, 2000, Data for Quaternary faults, liquefaction features, and possible tectonic features in the Central and Eastern United States, east of the Rocky Mountain front; U.S. Geological Survey Open-File Report.
 - Ewing, T. E., R. T. Budnik, J. T. Ames, and D. M. Ridner, 1990, Tectonic map of Texas: Bureau of Economic Geology, University of Texas at Austin.
 - Green, G. N., and G. E. Jones, 1997, e digital geologic map of New Mexico in ARC/INFO format: U.S. Geological Survey Open-File Report.
 - Ruppel, S. C., R. H. Jones, C. L. Breton, and J. A. Kane, 2005, Preparation of maps depicting geothermal gradient and Precambrian structure in the Permian Basin: USGS Order no. 04CRSA0834 and Requisition no. 04CRPR01474.
 - NMOCD database of oil and gas wells
- Plate 5, which shows the distribution of active and new SWD wells in the area of the proposed AWR Disposal SWD well
- Stratigraphic and lithologic information from two deep wells in the Delaware Basin
- Data on the thickness and lithology of the Simpson Group from the Texas Bureau of Economic Geology²

¹ https://scits.stanford.edu/sites/default/files/3702 tss lundsnee v2.pdf

² <u>http://www.beg.utexas.edu/resprog/permianbasin/PBGSP_members/writ_synth/Simpson.pdf</u>

Plate 5 reproduces Figure 3 of the 2018 publication of Snee and Zoback and shows

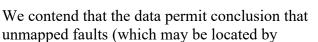
- 1. Fault traces based upon the references provided above for which Dr. Snee and Dr. Zoback provide a value of the fault slip potential (FSP)
- 2. Areas of documented seismic activity, and a magnitude 2.0-2.9 earthquake that occurred between 1970-2004 about 14 miles south of the proposed Schooner SWD #1. A slightly larger magnitude and more recent seismic event is reported about 21 miles west of the Schooner SWD #1 well location.
- 3. Although Plate 5 does not show faults that may be identified in confidential seismic data owned by oil and gas operators, the closest mapped basement fault that was re-activated during Woodford time is about 1 mile to the west, exhibits a low FSP (less than 5%) based upon the modeling and analysis of Snee and Zoback referenced above
- 4. Other mapped faults in southern Lea County shown on Plate 5 also show a low FSP, except for part of southwest-northeast trending fault about 12 miles north-northwest of the Schooner SWD #1 well that has a FSP of about 25 33% in the central portion of this fault trace.

Plate 6 reproduces the major elements of Plate 5 in the inset map and also shows that within an 6-mile radius around the proposed Schooner SWD #1, the OCD database shows about 3 active and 3 new Devonian SWDs, which translates into an average density of about one SWD for every 18 square miles.

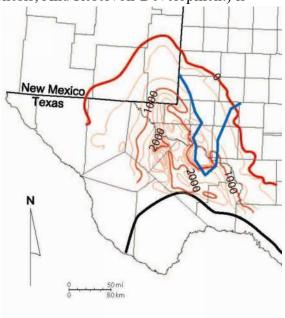
Figure 4 from the referenced Bureau of Economic Geology (The Middle-Upper Ordovician Simpson Group of the Permian Basin: Deposition, Diagenesis, And Reservoir Development) is

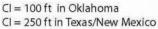
attached to this letter and the portion of that figure for the Delaware Basin is shown to the right. In southern Lea County the mapped thickness appears to be 500-1500 feet thick (note one contour line appears to be missing on the map). This unit, which is clay-rich carbonate interbedded with shale and sandstone, provides an excellent permeability/pressure barrier between the injection zone and the basement faults that were re-activated during Woodford time.

Data from the Amoco Federal CW Com 1 (3002528119) show that the thickness of the Simpson in the Antelope Ridge area of Lea County (Section 3 24S 34E) is about 450 feet thick with. This is consistent with Figure 4 of the BEG paper (probably because this well was used to produce the isopach map).



confidential seismic data that AWR Disposal does not possess) near the Schooner SWD #1 would be dominantly north-south normal faults, as is common in Lea County. The data on Plate





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6 permit a conclusion that faults near the Schooner SWD #1 are also most likely to exhibit a low FSP, like the mapped faults shown on Plate 5.

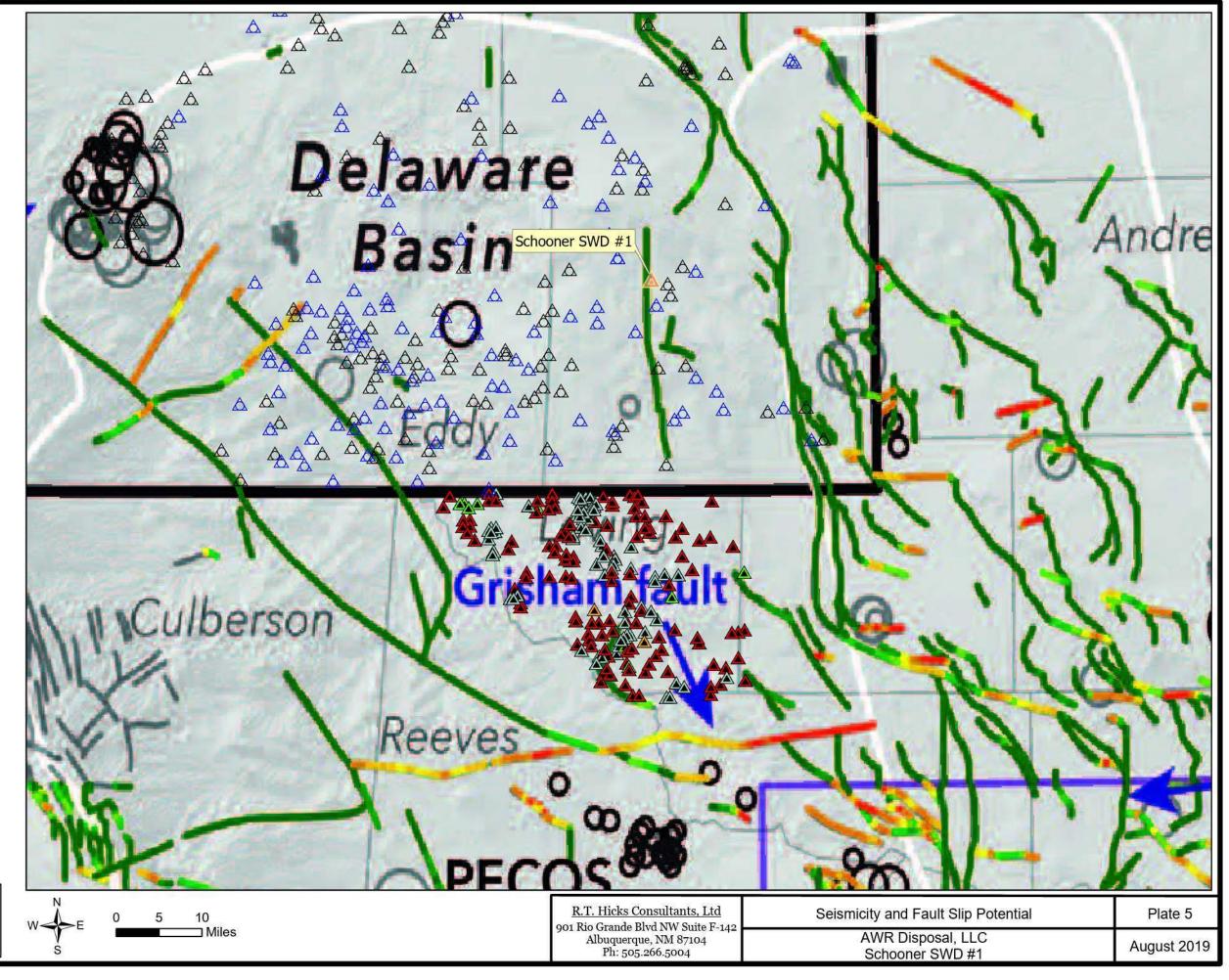
Given the density of Devonian SWDs (planned/new and active) near the proposed Schooner SWD #1 well and the high likelihood that any unmapped faults in the area would exhibit a low FSP, the probability that injection into the Schooner SWD #1 would cause an increase in pore pressure to trigger a seismic event of sufficient magnitude to cause damage is very low.

The users of this letter should recognize the uncertainties of using seismic maps of the Permian Basin to determine probability that injection of wastewater into a single SWD well could cause seismic events of sufficient magnitude to cause damage. However, on a regional basis injection by numerous wells into the Devonian/Fusselman/Montoya interval will raise the hydrostatic pressure. If pressure increases sufficiently, fluid could migrate from the injection zone along fault planes, up and down. Downward fluid migration will be intercepted first by the sandstone units of the Simpson Group. After fluid pressure increases in these sandstones, fluid would migrate downward into the Ellenberger Formation, which lies beneath the Simpson Group. This downward migration will next enter the permeable units of the Ellenberger and, over time, increase the fluid pressure. After fluid pressure in the Ellenberger is sufficiently large to cause downward migration along fault planes or other conduits, the migrating fluid will, in some areas, enter a thinner horizon of granite wash. Downward migrating fluids from the injection zone could then enter basement fault planes if the pressure in the granite wash horizon is sufficient, and reduce the frictional resistance (lubricate the faults). Reduction in the frictional force in faults due to fluid invasion can and has caused seismic events. In my opinion, the probability that injection into the Schooner SWD will measurably contribute to the events described above and will cause a seismic event resulting in damage is so low as to be nil.

Sincerely, R.T. Hicks Consultants

Randall T. Hicks Principal

Copy: AWR Disposal LLC



🔺 SWD SWDs (Devonian Wells) A Salt Water Injection, Active Salt Water Injection, New Injection Wells (Texas) A Injection/Disposal From Gas Injection/Disposal From Oil Injection/Disposal From Oil/Gas ▲ Injection/Disposal Well Seismicity: • Mw 2.0-2.9 O Since 2005 O Mw 3.0-3.9 O 1970-2004 O M_w 4.0+ Fault slip potential (%): 0 10 20 30 40 50+

Seismic and Fault Slip Potential-Ewing et al. (1990), Green and Jones (1997), Ruppel et al. (2005), and the USGS Quaternary Faults and Folds Database (Crone and Wheeler, 2000). M:\Accelerated Water\SWDs\Schooner SWD\arcGISproSchooner\arcGISproSchooner.aprx

