BW - \_\_\_035\_\_\_\_

# PUBLIC NOTICE (2 of 2)

2016

## Pueblo West Resources, LLC 6900 Spring Cherry Lane Amarillo, Texas 79124

June 3, 2016

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

Attn: Mr. Carl Chavez

Re: Discharge Plan Permit (BW-35)

Llano Disposal, LLC

UIC Class III Brine Well - Siringo ACS State BW #1 (30-025-30701)

UL 'D', Sec 26, T17S, R36E, 660 FNL x 660 FWL, Lea County, New Mexico

Dear Mr. Chavez,

Pursuant to 20.6.2.3108.D NMAC, Llano Disposal, LLC is hereby providing proof of notice in compliance with Subsections B and C of 20.6.2.3108 NMAC for the above referenced discharge plan permit. Attached to this letter are the original affidavits of publication and postings. Copies of these affidavits were previously submitted in my letter emailed to you on May 25.

If you have any questions concerning these notice documents, please let me know. Thank you in advance for your consideration of this permit application.

Sincerely,

Danny J. Holcomb

Pueblo West Resources, LLC Agent for Llano Disposal, LLC

MHolcomb

Cell: 806-471-5628

Email: danny@pwllc.net

www.pwllc.net

Attachments

## Affidavit of Public Notice

State of New Mexico
County of Lea

I, Marvin Burrows, Agent for Llano Disposal, LLC, an applicant to the NMOCD for a UIC Class III brine well permit, solemnly swear that the required <u>public notice by signage</u> (2' x 3' minimum size) in a conspicuous place on the proposed discharge site was posted by me on May 3, 2016 at the east right-of-way fence on Hwy 483 approximately 0.8 miles west of the proposed brine station. Additionally, I solemnly swear that the sign will remain posted and maintained legible for a minimum of 30 days.

Marvin Burrows

Agent for Llano Disposal, LLC

Sworn and subscribed to before me this 19th day of May, 2016.

OFFICIAL SEAL Stacy Reid
Notary

My Commission expires 3-7-18

(Seal)

# Affidavit of Public Notice

State of New Mexico
County of Lea
I, Marvin Burrows, Agent for Llano Disposal, LLC, an applicant to the NMOCD for a UIC Class III brine well permit, solemnly swear that the required public notice by posting in a conspicuous place off the proposed discharge site was posted on a public bulletin board at the Lea County Courthouse by County Manager staff on May 11, 2016. The posting is scheduled to be posted for a minimum of 30 days.
Marvin Burrows Agent for Llano Disposal, LLC
Sworn and subscribed to before me this 19th day of May, 2016.
Notary  OFFICIAL SEAL  Stacy Reid  NOTARY PUBLIC  STATE OF NEW MEXICO  My Commission Expires: 3-7-18
My commission expires 3-7-18
(Seal)

## **EXHIBIT "D.1"**

#### **Affidavit of Publication**

STATE OF NEW MEXICO ) ) ss.
COUNTY OF LEA )

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Manager of THE LOVINGTON LEADER, a thrice a week newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled Public Notice was published in a regular and entire issue of THE LOVINGTON LEADER and not in any supplement thereof, for one (1) day(s), beginning with the issue of May 12, 2016 and ending with the issue of May 12, 2016.

And that the cost of publishing said notice is the sum of \$ 160.88 which sum has been (Paid) as Court Costs.

Joyce Clemens, Advertising Manager Subscribed and sworn to before me this 12th day of May, 2016.

Gina Fort

Notary Public, Lea County, New Mexico My Commission Expires June 30, 2018



#### **Public Notice**

Per Water Quality Control Commission Regulations 20.6.2.3108.B.4 NMAC

Llano Disposal, L.L.C. (Mr. Darr Angell), 783 Highway 483, Lovington, NM 88260 has submitted an application to the New Mexico Oil Conservation Division (NMOCD) for installation and operation of a Class III brine well to be located in Unit Letter D of Section 26, Township 17 South, Range 36 East (Lat. 32.8115005°, Long. -103.3317795°), Lea County, New Mexico. The brine injection well is located approximately 8.3 miles south of Lovington, New Mexico or 1.1 miles east of the intersection of State Hwy 483 (Arkansas Jct.) and County Road 50 (Buckeye Rd).

The application proposes to produce fresh water from an existing water source well located in Unit Letter J of Section 27, Township 17 South, Range 36 East (Lat. 32.804305°, Long. -103.338230°), Lea County, New Mexico. This fresh water would be transported via a buried polyethylene pipeline approximately 3250 feet northeast to a 500 barrel steel water tank located at the brine well location detailed above. From time to time when brine is needed, the fresh water in this tank would be pumped down the tubing within the proposed brine well casing to an approximate depth of 2043 feet to 3253 feet below ground level at a rate of approximately 40 - 120 GPM and a normal operating pressure of 200 to 250 psi. The maximum allowable surface injection pressure would be 410 psig. Dissolution brine water (NaCl) would then be produced up the well casing backed by cement to surface. This "normal flow" routine fluid flow process, is required by the NMOCD to maintain proper salt cavern configuration and development over the operational life of the brine well.

The produced brine water would be metered then transported via a second buried polyethylene pipeline approximately 6600 feet southwest to four 500 barrel fiberglass storage tanks at the proposed Siringo Brine Station located in Unit Letter M of Section 27, Township 17 South, Range 36 East (Lat. 32.798816°, Long. -103.347123°), Lea County, New Mexico. This brine station is located approximately 9.3 miles south of Lovington, New Mexico or 1 mile south-south-east of the intersection of State Hwy 483 (Arkansas Jct.) and County Road 50 (Buckeye Rd) and ¼ mile east of SH 483. The brine water would be transferred/sold by delivery into water trucks on a concrete loading pad with containment curbing and a sump to prevent spills. There would be a synthetic liner and secondary containment underneath the brine storage tanks. All of the above listed infrastructure is located on private land owned by the applicant. Brine water is used in the oil and gas industry to supply concentrated salt water (i.e. brine water) with a total dissolved concentration of approximately 320,000 mg/l and a density that is 20% higher than fresh water. Typical brine water is 10 pounds per gallon (ppg) with the increased weight due to dissolved NaCl. Heavy brine water is essential in preventing blow-outs in high pressure gas wells and prevents loss of circulation when drilling through salt zones typically found in southeastern New Mexico.

The brine well will be designed to produce approximately 13 million barrels of brine water over a 20 year life period. The anticipated cavern radius will not exceed 150 feet. The well has been located on private land and provides a minimum of 2000 feet separation from any significant features, such as houses, roads, utilities, pipelines, water supplies, buildings, schools, businesses, etc.

Groundwater possibly affected by an unintentional spill or leak is located at a depth of approximately 40 – 80 feet below ground level. Typical groundwater in this area has a total dissolved solids concentration of approximately 400 mg/l. According to the Office of the State Engineer, average water well depths in the area are 107 feet below ground level. The brine facility will be designed and permitted to have no intentional water contaminants discharged to the surface or subsurface for the protection of groundwater. The brine station will have a concrete loading pad for trucks and will have a synthetic liner underneath tanks areas to prevent any spills or leaks from reaching the ground surface. The brine well will have cemented casing and tubing strings to protect groundwater.

The owner and operator of the proposed facility will be:

Llano Disposal, LLC 783 Highway 483 Lovington, NM 88260

Comments and inquiries about the application may be directed to Llano Disposal, LLC c/o Mr. Danny Holcomb at 806-471-5628 or email danny@pwllc.net. Mr. Holcomb is a consultant to Llano Disposal providing assistance obtaining the regulatory permits for this project.

The New Mexico Oil Conservation Division (OCD) will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact:

Environmental Bureau Chief New Mexico Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

# EXHIBIT "D.2"

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Joyce Clemens, Advertising Manager Subscribed and sworn to before me this 12th day of May, 2016.

Lina Fort

Notary Public, Lea County, New Mexico My Commission Expires June 30, 2018



#### Anuncios de Pantalla de Aviso Público

Por Reglamento de Comisión de Control de Calidad de Agua 20.6.2.3108.B.4 NMAC

Llano Disposal, L.L.C. (Sr. Darr Ángell), 783 Highway 483, Lovington, NM 88260 has presentado una solicitud para La División de Conservación de Petroléo de Nuevo Méxicano (NMOCD) para la instalación y operación de una clase III de la salmuera bien que se encuentra en la unidad letra D de la sección 26, municipio de 17 sur gama 36 Oriente (Lat. 32.8115005°, Long. -103.3317795°), Condado Lea, Nuevo México. La inyección de salmuera es bien situados aproximadamente 8,3 millas a sur de Lovington, Nuevo México o 1,1 millas al este de la intersección de estado Hwy 483 (Jct de Arkansas) y County Road 50 (Buckeye Rd).

La aplicación propone producir agua fresca de una fuente existente de agua blen ubicada en unidad letra J de la sección 27, municipio de 17 sur, gama 36 Oriente (Lat. 32,804305°, Long. -103.338230°); Condado Lea, Nuevo México. Este agua duice transportarse a través de una tubería de polietileno enterrada aproximadamente 3250 pies al noreste para un tanque de agua 500 barril de acero situado en la salmuera bien ubicación detallada anteriormente. De vez en cuando se necesita salmuera, el agua en este tanque se bombea hacia abajo de la tubería dentro de la salmuera propuesta entubado del pozo a una profundidad aproximada de pies 2043 a 3253 pies debajo de nivel del suelo a una tasa de aproximadamente 40-120 GPM y una presión normal de 200 a 250 psi. La presión de inyección superficial permisible máxima sería 410 psig. Agua de disolución salmuera (NaCl) entonces se produciría hasta la carcasa bien respaldada por el cemento a superficie. Este proceso de flujo rutinario "flujo normal" es requerido por la NMOCD para mantener la configuración de cayerna de sal adecuada y desarrollo durante la vida operativa de la salmuera bien.

El agua de la salmuera producida se mide entonces transportado por una tubería de polietileno enterrada segundo aproximadamente 6600 pies sudoeste cuatro barril 500 tanques de almacenamiento de fibra de vidrio en la estación de salmuera Siringo propuesto ubicado en unidad letra M de la sección 27, municipio de 17 sur, gama 36 Oriente (Lat. 32,798816°, Long. -103,347123°), Condado Lea, Nuevo México. Esta estación de salmuera está situados aproximadamente 9,3 millas al sur de Lovington, Nuevo México o 1 milla sur-sureste de la intersección de estado Hwy 483 (Jct de Arkansas) y County Road 50 (Buckeye Rd) y ¼ milla al este de 483 SH. El agua de la salmuera sería transfendo/vendido por entrega en camiones de agua sobre una almohadilla con frenar de contención de carga de cemento y un colector de aceite para evitar derrames. Habría un forro sintético y contención secundaria debajo de los tanques de almacenamiento de la salmuera. Toda la infraestructura lista anterior se encuentra en terrenos privados propiedad de la demandante.

Agua de la salmuera se utiliza en el aceite y la industria del gas para suministrar concentrado sal agua (es decir, salmuera) con una concentración disuelta total de aproximadamente 320.000 mg/l y una densidad que es 20% mayor de agua dulce. Salmuera típica está 10 libras por gatón con el aumento de peso debido a NaCl disuelto. Agua de salmuera pesada es esencial en la prevención de salidas de golpe en pozos de gas de alta presión y previene la pérdida de circulación durante la perforación a través de zonas de sal suelen encontradas en el sureste de nuevo México. Bien la salmuera se diseñará para producir aproximadamente 13 milliones de barriles de salmuera durante un período de vida de 20 años. El radio caverna anticipada no excederá de 150 pies. El pozo se ha situado en terrenos privados y un mínimo de 2000 pies de separación de las características importantes, tales como casas, caminos, utilidades, tuberías, suministro de agua, edificios, escuelas, empresas, etc.

Agua subterránea posiblemente afectado por un derrame accidental o escape se encuentra a una profundidad de aproximadamente 40 – 60 pies debajo de nivel del suelo. Típico agua subterránea en esta área tiene una concentración de sólidos disueltos totales de aproximadamente 400 mg/l. Según la oficina del ingeniero de estado, profundidades bien media del agua en la zona son 107 pies debajo de nivel del suelo. La instalación de la salmuera será diseñada y puede no tener contaminantes intencional de agua descargadas a la superficie o subsuperficie para la protección de las aguas subterráneas. La estación de salmuera tendrá una plataforma de carga de cemento para camiones y tendrá un revestimiento sintético debajo de áreas de depósitos para evitar cualquier vertido o derrame accidental de llegar a la superficie de la tierra. La salmuera bien habremos cementado carcasa y tubos cadenas para proteger las aguas subterráneas.

El propietario y operador de la instalación propuesta será:

Llano Disposal, LLC 783 Highway 483 Lovington, NM 88260

Comentarios y consultas sobre la aplicación pueden ser dirigidas a disposición Llano, LLC c/o Sr. Danny Holcomb en 806-471-5628 o por correo ejectrónico danny@pwllc.net . El Sr. Holcomb es consultor para proporcionar asistencia de Llano Disposal obtener los permisos reglamentarios para este proyecto.

La División de Conservación de Petroléo de Nuevo Méxicano se aceptan comentarios y declaraciones de interés respecto a esta aplicación y creará una lista de correo de instalaciones específicas para las personas que deseen recibir futuras notificaciones. Puede contactar a las personas interesadas en obtener más Información, enviar comentarios o solicitar estar en una lista de correo de instalaciones específicas para futuros avisos:

> Jefe de la Oficina Ambiental División de Conservación de Petroléo de Nuevo Méxicano 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Teléfono: 505-476-3440

Brine water is used in the oil and gas industry to supply concentrated salt water (i.e. brine water) with a total dissolved concentration of approximately 320,000 mg/l and a density that is 20% higher than fresh water. Typical brine water is 10 pounds per gallon (ppg) with the increased weight due to dissolved NaCl. Heavy brine water is essential in preventing blow-outs in high pressure gas wells and prevents loss of circulation when drilling through salt zones typically found in southeastern New Mexico.

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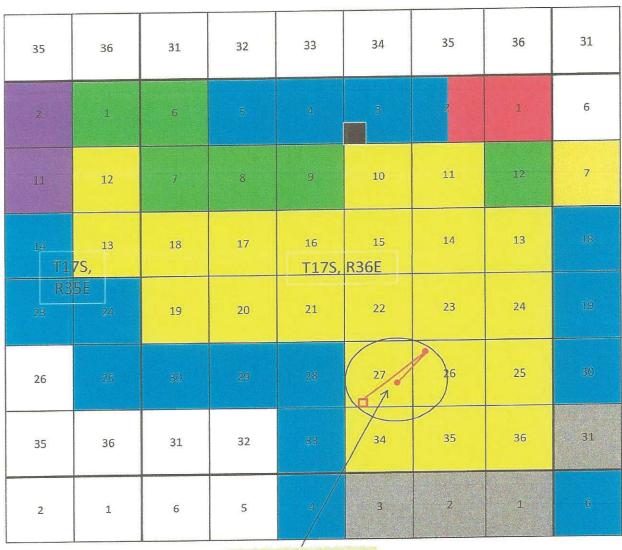
Sincerely,

Danny Holcomb

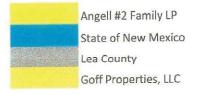
Agent for Llano Disposal, LLC

Attachment (map of area)

## Siringo ACS State #1 Brine Well Adjoining Property Owners

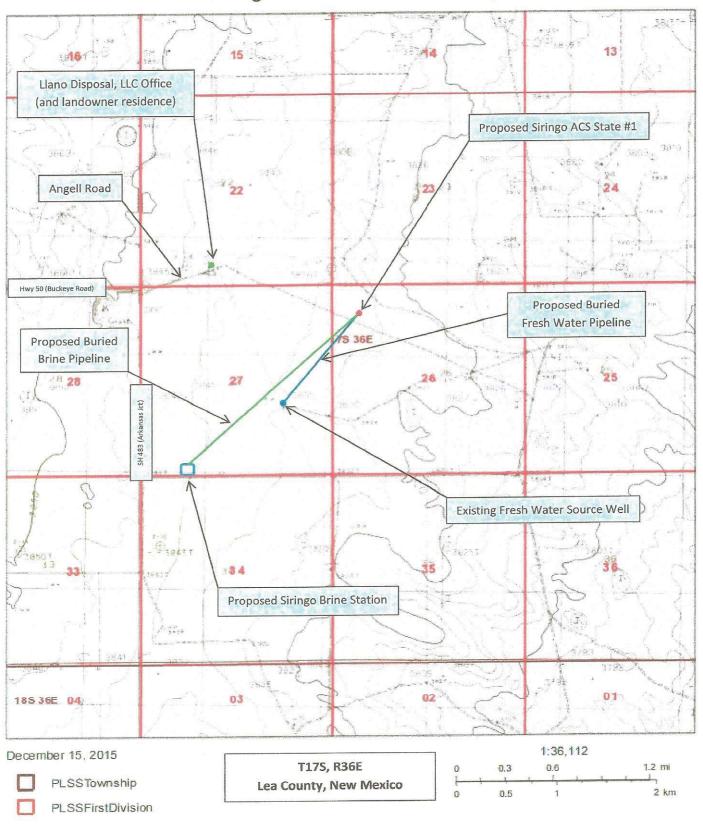


Proposed Site of Brine Well and Station





# Siringo State BW and Facility



dsilcock, OCD Copyrightt© 2013 National Geographic Society, i-cubed BLM

51	U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only			
8	For delivery information, visit our website at www.usps.com*.			
	LOVINGTON, NM 88260	USE		
3697	Certified Mail Fee \$3.30 \$ \$2.70	0206 03		
0000	Extra Services & Fees (check box, add fee separative)   Return Receipt (hardcopy) \$	Postmark Here		
0490	Postage \$1.15 \$ Total Postage and \$7.15	05/06/2016		
7075	Sent To City of Lovington			
7.0	Street and Apt. No. P. O. Box 1268 City, State, ZIP+48 Lovington, NM 88260			
	PS Form 3800, A	¥		

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>Article Addressed to:</li> </ul>	A. Signature    Agent   Addressee
City of Lovington P. O. Box 1268 Lovington, NM 88260	
9590 9403 0102 5077 6033 56	3. Service Type  □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery □ Signature Confirmation™ Signature Confirmation
2. Article Number (Transfer from service label) 7015 0640 0000 3691 8051	red Mail Restricted Delivery r \$500) Restricted Delivery
PS Form 3811, April 2015 PSN 7530-02-000-9053	Domestic Return Receipt

## Pueblo West Resources, LLC 6900 Spring Cherry Lane Amarillo, TX 79124

Certified Mail

Date: May 6, 2016

Property Owner of Record

Name: City of Lovington

Address: P. O. Box 1268

City/State: Lovington, NM 88260

#### Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108.B.2 NMAC to property owner(s) of record that adjoin the property owned by the applicant.

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The produced brine water would be metered then transported via another buried polyethylene pipeline approximately 6600 feet southwest to four 500 barrel fiberglass storage tanks at the proposed Siringo Brine Station located in Unit Letter M of Section 27, Township 17 South, Range 36 East (Lat. 32.798816°, Long. -103.347123°), Lea County, New Mexico. This brine station is located approximately 9.3 miles south of Lovington, New Mexico or 1 mile south-south-east of the intersection of State Hwy 483 (Arkansas Jct) and County Road 50 (Buckeye Rd) and ¼ mile east of SH 483. The brine water would be transferred/sold by delivery into water trucks on a concrete loading pad with containment curbing and a sump to prevent spills. There would be a synthetic liner and secondary containment underneath the brine storage tanks. All of the above listed infrastructure is located on private land owned by the applicant.

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The brine well will be designed to produce approximately 13 million barrels of brine water over a 20 year life period. The anticipated cavern radius will not exceed 150 feet. The well has been located on private land to provide a minimum of 2000 feet separation from any significant features, such as houses, roads, utilities, pipelines, water supplies, buildings, schools, businesses, etc.

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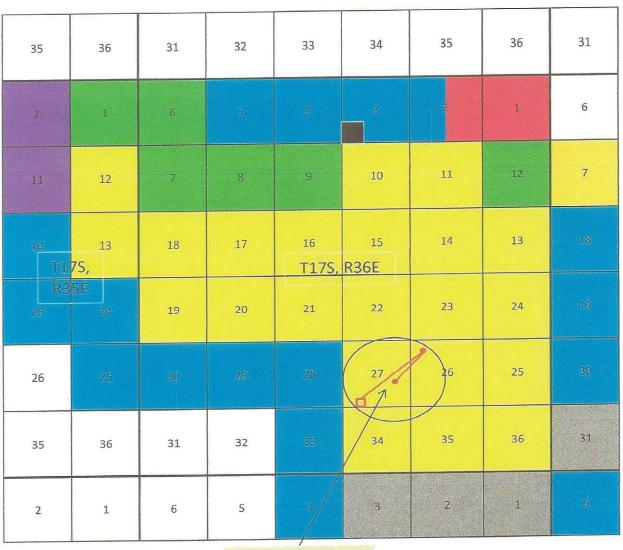
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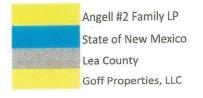
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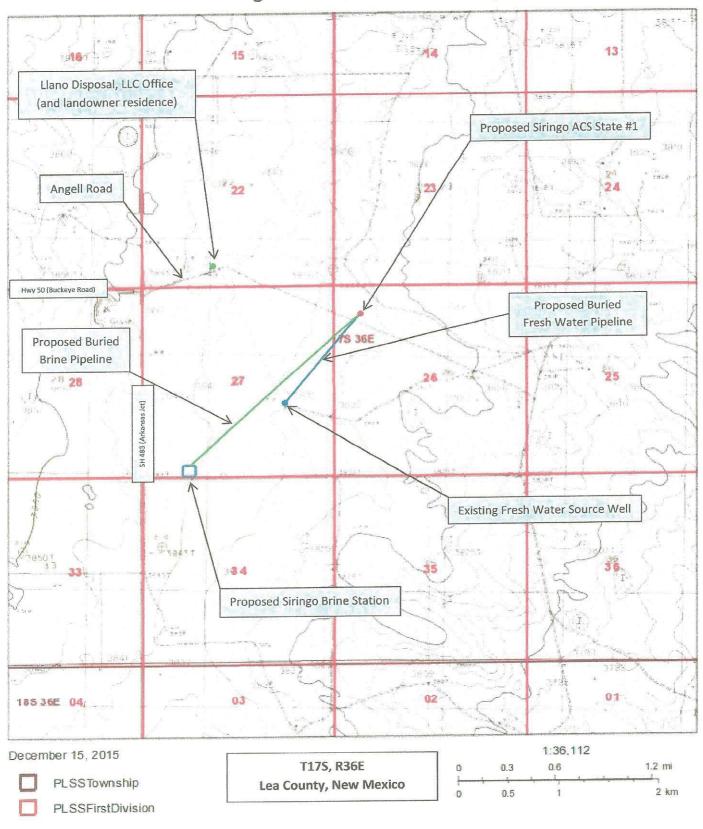


Proposed Site of Brine Well and Station





# Siringo State BW and Facility







## Pueblo West Resources, LLC 6900 Spring Cherry Lane Amarillo, TX 79124

Certified Mail

Date: May 6, 2016

Property Owner of Record

Name: Chevron USA Inc.

Address: P. O. Box 285

City/State: Houston, TX 77001

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Llano Disposal, LLC 783 Highway 483 Lovington, NM 88260

Comments or inquiries about this application may be directed to Llano Disposal, LLC c/o Mr. Danny Holcomb at 806-471-5628 or email <a href="mailto:danny@pwllc.net">danny@pwllc.net</a>. Mr. Holcomb is a consultant to Llano Disposal providing assistance obtaining the regulatory permits with this project.

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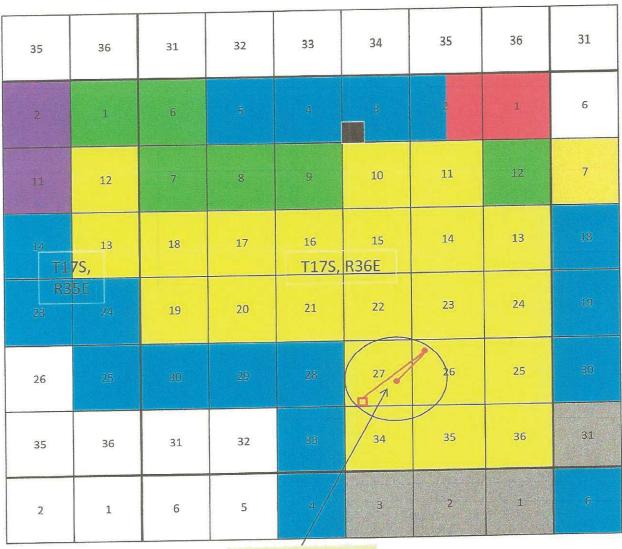
Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

Sincerely,

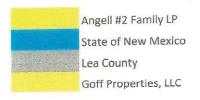
Danny Holcomb Agent for Llano Disposal, LLC

Attachment (map of area)

# Siringo ACS State #1 Brine Well Adjoining Property Owners

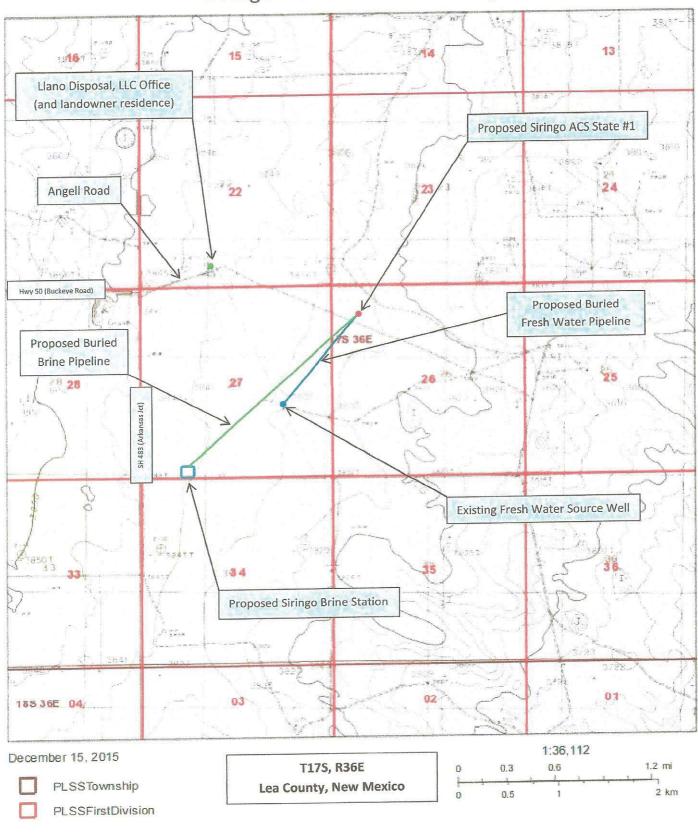


Proposed Site of Brine Well and Station





# Siringo State BW and Facility



dsilcock, OCD CopyrightsD 2013 National Geographic Society, i-cubed BLM

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1646 0000	Certified Mail Fee \$3.30 \$2.70 Extra Services & Fees (check box, add fee as promptate)    Return Receipt (hardcopy) \$ \$0.00     Return Receipt (electronic) \$ \$0.00     Certified Mail Restricted Delivery \$ \$0.00     Adult Signature Restricted Delivery \$	0206 03 Postmark Here	
7015 0640	Postage \$1.15 \$ Total Postage and \$7.15 \$ Sent To Eidson Ranch Street and Apt. No., City, State, ZIP+4*  PS Form 3809, Ab.  PS Form 3809, Ab.	05/06/2016 38260	

COMPLETE THIS SECTION ON DELIVI	ERY
D. Is delivery address different from item	☐ Agent ☐ Addressee C. Date of Delivery  1? ☐ Yes ☐ No
If YES, effect delivery address bolows	
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## Pueblo West Resources, LLC 6900 Spring Cherry Lane Amarillo, TX 79124

Certified Mail

Date: May 6, 2016

Property Owner of Record

Name: Eidson Ranch

Address: P. O. Box 1286

City/State: Lovington, NM 88260

#### Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108.B.2 NMAC to property owner(s) of record that adjoin the property owned by the applicant.

Llano Disposal, LLC, 783 Highway 483, Lovington, NM 88260, Mr. Darr Angell has filed an application with the New Mexico Oil Conservation Division (OCD) to install and operate a Class III brine well to be located in Unit Letter D of Section 26, Township 17 South, Range 36 East (Lat. 32.8115005°, Long. - 103.3317795°), Lea County, New Mexico. The proposed brine well is located on the Angell Ranch approximately 8.3 miles south of Lovington, New Mexico or 1.1 miles east of the intersection of State Hwy 483 (Arkansas Jct) and County Road 50 (Buckeye Rd).

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The brine well will be designed to produce approximately 13 million barrels of brine water over a 20 year life period. The anticipated cavern radius will not exceed 150 feet. The well has been located on private land to provide a minimum of 2000 feet separation from any significant features, such as houses, roads, utilities, pipelines, water supplies, buildings, schools, businesses, etc.

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Llano Disposal, LLC 783 Highway 483 Lovington, NM 88260

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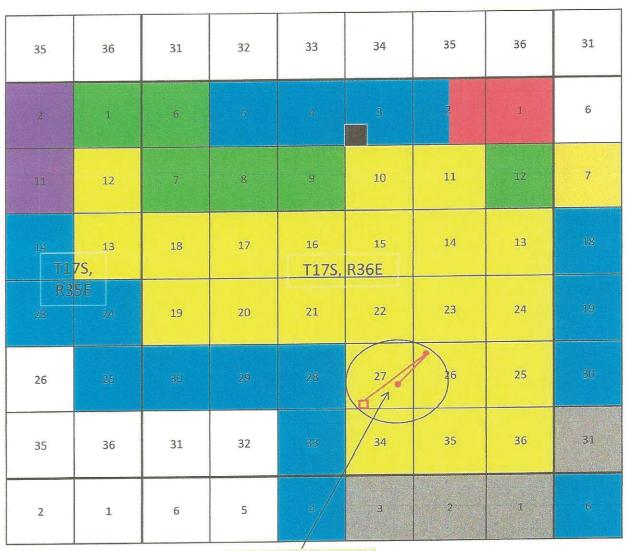
Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

Sincerely,

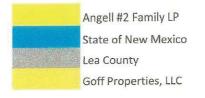
Danny Holcomb Agent for Llano Disposal, LLC

Attachment (map of area)

## Siringo ACS State #1 Brine Well Adjoining Property Owners

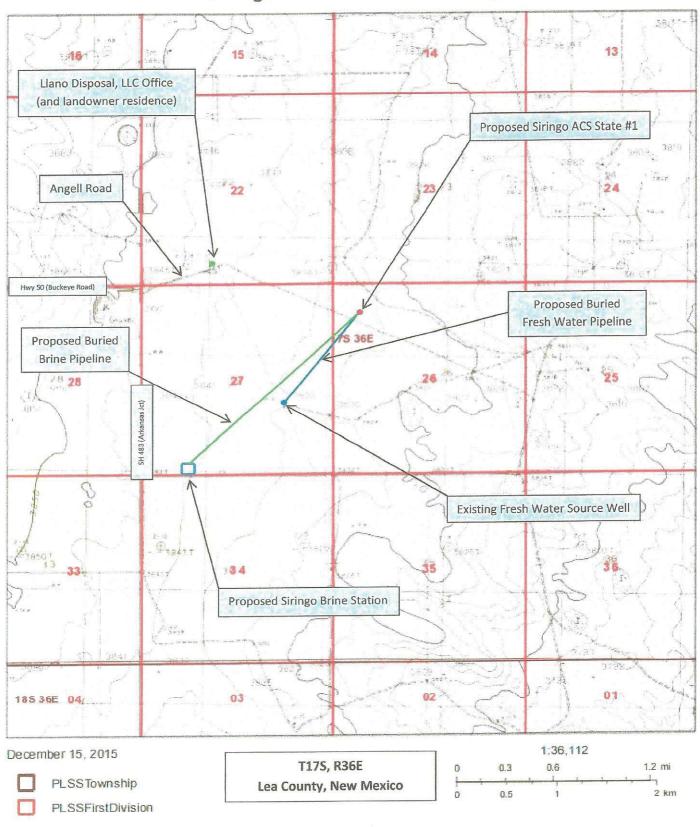


Proposed Site of Brine Well and Station





# Siringo State BW and Facility



dsilcock, OCD CopyrightsD 2013 National Geographic Society, Fourted BLM

## Chavez, Carl J, EMNRD

From: danny@pwllc.net

**Sent:** Wednesday, May 25, 2016 8:05 AM

**To:** Chavez, Carl J, EMNRD; Griswold, Jim, EMNRD

**Cc:** Marvin Burrows; Bill Prichard

**Subject:** Llano Disposal LLC Brine Well Discharge Permit (BW-35) Siringo ACS State BW #1

(30-025-30701)

**Attachments:** Proof of Notice Letter 052516 v.3.pdf

Attached is the final attachment containing proof of notification documents.

Thank you,

Danny J. Holcomb Pueblo West Resources Cell: 806-471-5628 Email: danny@pwllc.net

8702	U.S. Postal Service™ CERTIFIED MAIL® RECEIPT  Domestic Mail Only			
=0	For delivery information, visit our website :	at www.usps.com		
1696 0000	Certified Mail Fee \$3_30 \$2_70  Extra Services & Fees (check box, add fee of proprinte)  Return Receipt (electronic) \$10.00  Certified Mail Restricted Delivery \$0.00  Adult Signature Required \$0.00  Adult Signature Restricted Delivery \$	0206 03 Postmark Here		
0190	Postage \$1.15	05/06/2016		
	Total Postage and \$7.15			
7015				

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON E	ELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>Article Addressed to:</li> <li>Graham Ranch, LLC P. O. Box 1117</li> </ul>	A. Signature  X  B. Received by (Printed Name)  D. Is delivery address different from If YES, enter delivery address by	☐ Agent ☐ Addressee  C. Date of Delivery  item 1? ☐ Yes pelow: ☐ No
Lovington, NM 88260 9590 9403 0102 5077 6034 24	3. Service Type  Adult Signature  Adult Signature Restricted Delivery  Certified Mail®  Certified Mail Restricted Delivery  Collect on Delivery  Collect on Delivery Restricted Delivery	□ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricte Delivery □ Return Receipt for Merchandise □ Signature Confirmation™ □ Signature Confirmation

## Pueblo West Resources, LLC 6900 Spring Cherry Lane Amarillo, TX 79124

Certified Mail

Date: May 6, 2016

Property Owner of Record

Name: Graham Ranch, LLC

Address: P. O. Box 1117

City/State: Lovington, NM 88260

#### **Public Notice**

<u>Legal notification per Water Quality Control Commission Regulations 20.6.2.3108.B.2</u> <u>NMAC to property owner(s) of record that adjoin the property owned by the applicant.</u>

Llano Disposal, LLC, 783 Highway 483, Lovington, NM 88260, Mr. Darr Angell has filed an application with the New Mexico Oil Conservation Division (OCD) to install and operate a Class III brine well to be located in Unit Letter D of Section 26, Township 17 South, Range 36 East (Lat. 32.8115005°, Long. - 103.3317795°), Lea County, New Mexico. The proposed brine well is located on the Angell Ranch approximately 8.3 miles south of Lovington, New Mexico or 1.1 miles east of the intersection of State Hwy 483 (Arkansas Jct) and County Road 50 (Buckeye Rd).

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The owner and operator of the proposed facility will be:

Llano Disposal, LLC 783 Highway 483 Lovington, NM 88260

Comments or inquiries about this application may be directed to Llano Disposal, LLC c/o Mr. Danny Holcomb at 806-471-5628 or email <a href="mailto:danny@pwllc.net">danny@pwllc.net</a>. Mr. Holcomb is a consultant to Llano Disposal providing assistance obtaining the regulatory permits with this project.

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Environmental Bureau Chief Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

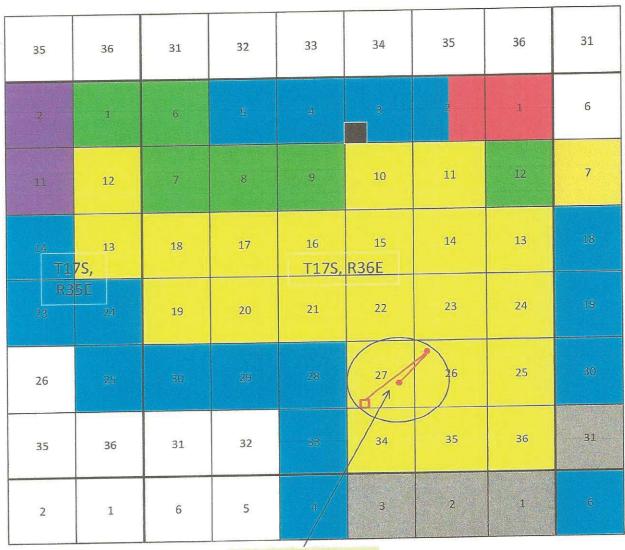
Sincerely,

Danny Holcomb

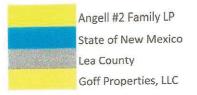
Agent for Llano Disposal, LLC

Attachment (map of area)

# Siringo ACS State #1 Brine Well Adjoining Property Owners

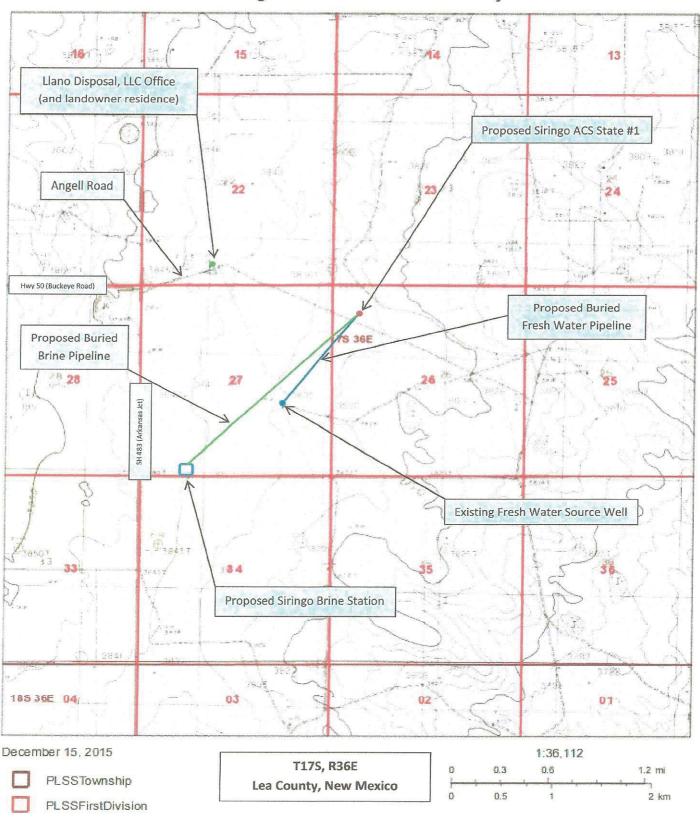


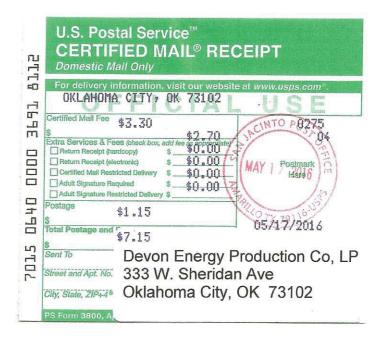
Proposed Site of Brine Well and Station





# Siringo State BW and Facility





SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON	DELIVERY
Complete items 1, 2, and 3  Print your name and address on the reverse so that we can return the card to you.  Attach this card to the back of the mailpiece, on on the front if space permits.  I. Article Addressed to:  Devon Energy Production Co, LP 333 W. Sheridan Ave Oklahoma City, OK 73102	A. Signature  X	
9590 9403 0102 5077 6030 11  21 Abicle Number Confere from solving John 7015 0640 0000 3691 8112	3. Service Type  Adult Signature  Adult Signature Restricted Delivery  Certified Mail®  Certified Mail Restricted Delivery  Collect on Delivery  Collect on Delivery Restricted Delivery  d Mail  d Mail Restricted Delivery	□ Priority Mail Express®     □ Registered Mail™     □ Registered Mail Restricted Delivery     □ Return Receipt for Merchandise     □ Signature Confirmation™     □ Signature Confirmation Restricted Delivery
PS Form 3811, April 2015 PSN 7530-02-000-9053		Domestic Return Receipt

## Pueblo West Resources, LLC 6900 Spring Cherry Lane Amarillo, TX 79124

Certified Mail

Date: May 17, 2016

Mineral Lessee of Record

Name: Devon Energy Production Company, LP

Address: 333 W. Sheridan Ave

City/State: Oklahoma City, OK 73102

## Public Notice

Legal notification per Water Quality Control Commission Regulations 20.6.2.3108.B.2 NMAC to mineral lessee(s) of record within 1/3 mile distance from the boundary of the property where the discharge site is located.

Llano Disposal, LLC, 783 Highway 483, Lovington, NM 88260, Mr. Darr Angell has filed an application with the New Mexico Oil Conservation Division (OCD) to install and operate a Class III brine well to be located in Unit Letter D of Section 26, Township 17 South, Range 36 East (Lat. 32.8115005°, Long. - 103.3317795°), Lea County, New Mexico. The proposed brine well is located on the Angell Ranch approximately 8.3 miles south of Lovington, New Mexico or 1.1 miles east of the intersection of State Hwy 483 (Arkansas Jct) and County Road 50 (Buckeye Rd).

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Sincerely,

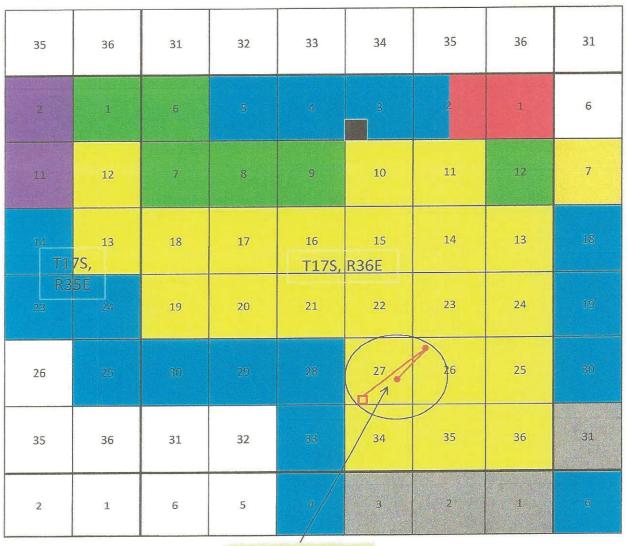
Danny Holcomb

Agent for Llano Disposal, LLC

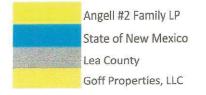
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Attachment (map of area)

## Siringo ACS State #1 Brine Well Adjoining Property Owners

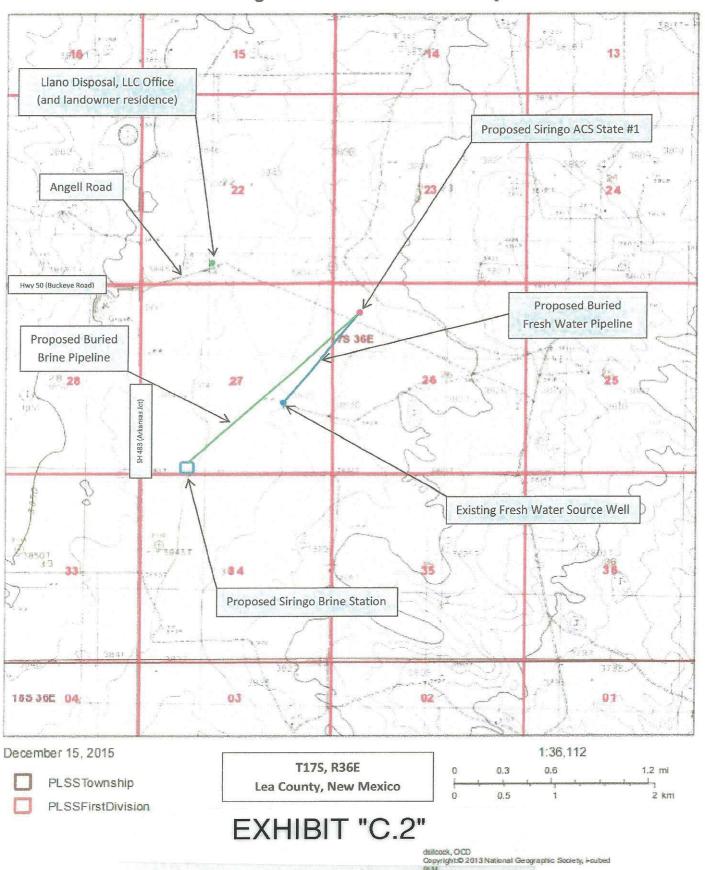


Proposed Site of Brine Well and Station





## Siringo State BW and Facility



PAGE 45 OF 45

# EXHIBIT "D.1"

#### Affidavit of Publication

STATE OF NEW MEXICO ) SS. COUNTY OF LEA

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Manager of THE LOVINGTON LEADER, a thrice a week newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached. entitled Public Notice was published in a regular and entire issue of THE LOVINGTON LEADER and not in any supplement thereof, for one (1) day(s), beginning with the issue of May 12, 2016 and ending with the issue of May 12, 2016.

And that the cost of publishing said notice is the sum of \$ 160.88 which sum has been (Paid) as Court Costs.

Joyce/Clemens, Advertising Manager Subscribed and sworn to before me this 12th day of May, 2016.

Gina Fort

Notary Public, Lea County, New Mexico My Commission Expires June 30, 2018



#### **Public Notice**

Per Water Quality Control Commission Regulations 20.6.2.3108.B.4 NMAC

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The produced brine water would be metered then transported via a second buried polyethylene pipeline approximately 6600 feet southwest to four 500 barrel fiberglass storage tanks at the proposed Siringo Brine Station located in Unit Letter M of Section 27, Township 17 South, Range 36 East (Lat. 32.798816°, Long. -103.347123°), Lea County, New Mexico. This brine station is located approximately 9.3 miles south of Lovington, New Mexico or 1 mile south-south-east of the intersection of State Hwy 483 (Arkansas Jct.) and County Road 50 (Buckeye Rd) and 1/4 mile east of SH 483. The brine water would be transferred/sold by delivery into water trucks on a concrete loading pad with containment curbing and a sump to prevent spills. There would be a synthetic liner and secondary containment underneath the brine storage tanks. All of the above listed infrastructure is located on private land owned by the applicant. Brine water is used in the oil and gas industry to supply concentrated salt water (i.e. brine water) with a total dissolved concentration of approximately 320,000 mg/l and a density that is 20% higher than fresh water. Typical brine water is 10 pounds per gallon (ppg) with the increased weight due to dissolved NaCl. Heavy brine water is essential in preventing blow-outs in high pressure gas wells and prevents loss of circulation when drilling through salt zones typically found in southeastern New Mexico.

The brine well will be designed to produce approximately 13 million barrels of brine water over a 20 year life period. The anticipated cavern radius will not exceed 150 feet. The well has been located on private land and provides a minimum of 2000 feet separation from any significant features, such as houses, roads, utilities, pipelines, water supplies, buildings, schools, businesses, etc.

Groundwater possibly affected by an unintentional spill or leak is located at a depth of approximately 40 - 80 feet below ground level. Typical groundwater in this area has a total dissolved solids concentration of approximately 400 mg/l. According to the Office of the State Engineer, average water well depths in the area are 107 feet below ground level. The brine facility will be designed and permitted to have no intentional water contaminants discharged to the surface or subsurface for the protection of groundwater. The brine station will have a concrete loading pad for trucks and will have a synthetic liner underneath tanks areas to prevent any spills or leaks from reaching the ground surface. The brine well will have cemented casing and tubing strings to protect groundwater.

The owner and operator of the proposed facility will be:

Llano Disposal, LLC 783 Highway 483 Lovington, NM 88260

Comments and inquiries about the application may be directed to Llano Disposal, LLC c/o Mr. Danny Holcomb at 806-471-5628 or email danny@pwllc.net. Mr. Holcomb is a consultant to Llano Disposal providing assistance obtaining the regulatory permits for this project.

The New Mexico Oil Conservation Division (OCD) will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact:

> Environmental Bureau Chief New Mexico Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Telephone: 505-476-3440

## EXHIBIT "D.2"

#### **Affidavit of Publication**

STATE OF NEW MEXICO ) ) ss.
COUNTY OF LEA

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Manager of THE LOVINGTON LEADER, a thrice a week newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico: that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled Public Notice was published in a regular and entire issue of THE LOVINGTON LEADER and not in any supplement thereof, for one (1) day(s), beginning with the issue of May 12, 2016 and ending with the issue of May 12, 2016.

And that the cost of publishing said notice is the sum of \$ 185.01 which sum has been (Paid) as Court Costs.

Joyce Clemens, Advertising Manager Subscribed and sworn to before me this 12th day of May, 2016.

Suru To

Notary Public, Lea County, New Mexico My Commission Expires June 30, 2018

OFFICIAL SEAL
GINA FORT
Notary Public
State of New Mexico
My Comm. Expires L 13D/18

#### Anuncios de Pantalla de Aviso Público

Por Reglamento de Comisión de Control de Calidad de Agua 20.6.2.3108.B.4 NMAC

Llano Disposal, L.L.C. (Sr. Darr Ángell), 783 Highway 483, Lovington, NM 88260 ha presentado una solicitud para La División de Conservación de Petroléo de Nuevo Méxicano (NMOCD) para la instalación y operación de una clase III de la salmuera bien que se encuentra en la unidad letra D de la sección 26, municipio de 17 sur, gama 36 Oriente (Lat. 32.8115005°, Long. -103.3317795°), Condado Lea, Nuevo México. La inyección de salmuera es bien situados aproximadamente 8,3 millas al sur de Lovington, Nuevo México o 1,1 millas al este de la intersección de estado Hwy 483 (Jot de Arkansas) y County Road 50 (Buckeye Rd).

La aplicación propone producir agua fresca de una fuente existente de agua bien ubicada en unidad letra J de la sección 27, municipio de 17 sur, gama 36 Oriente (Lat. 32,804305°, Long. -103.338230°), Condado Lea, Nuevo México. Este agua dulce transportarse a través de una tubería de polietileno enterrada aproximadamente 3250 pies al noreste para un tanque de agua 500 barril de acero situado en la salmuera bien ubicación detallada anteriormente. De vez en cuando se necesita salmuera, el agua en este tanque se bombea hacia abajo de la tubería dentro de la salmuera propuesta entubado del pozo a una profundidad aproximada de pies 2043 a 3253 pies debajo de nivel del suelo a una tasa de aproximadamente 40-120 GPM y una presión normal de 200 a 250 psi. La presión de inyección superficial permisible máxima sería 410 psig. Agua de disolución salmuera (NaCl) entonces se produciria hasta la carcasa bien respaldada por el cemento a superficie. Este proceso de flujo rutinario "flujo normal" es requerido por la NMOCD para mantener la configuración de caverna de sal adecuada y desarrollo durante la vida operativa de la salmuera bien.

El agua de la salmuera producida se mide entonces transportado por una tubería de polietileno enterrada segundo aproximadamente 6600 pies sudoeste cuatro barril 500 tanques de almacenamiento de fibra de vidrio en la estación de salmuera Siringo propuesto ubicado en unidad letra M de la sección 27, municipio de 17 sur, gama 36 Oriento (Lat. 32,798816°, Long. -103.347123°), Condado Lea, Nuevo México. Esta estación de salmuera está situados aproximadamente 9,3 millas al sur de Lovington, Nuevo México o 1 milla sur-sureste de la intersección de estado Hwy 483 (Jot de Arkansas) y County Road 50 (Buckeye Rd) y ¼ milla al este de 483 SH. El agua de la salmuera sería transferido/vendido por entrega en camiones de agua sobre una almohadilla con frenar de contención de carga de cemento y un colector de aceite para evitar derrames. Habría un forro sintético y contención secundaria debajo de los tanques de almacenamiento de la salmuera. Toda la infraestructura lista anterior se encuentra en terrenos privados propledad de la demandante.

Agua de la salmuera se utiliza en el aceite y la industria del gas para suministrar concentrado sal agua (es decir, salmuera) con una concentración disuelta total de aproximadamente 320.000 mg/l y una densidad que es 20% mayor de agua dulce, Salmuera tipica está 10 libras por galón con el aumento de peso debido a NaCl disuelto. Agua de salmuera pesada es esencial en la prevención de salidas de golpe en pozos de gas de alta presión y previene la pérdida de circulación durante la perforación a través de zonas de sal suelen encontradas en el sureste de nuevo México. Bien la salmuera se diseñará para producir aproximadamente 13 millones de barriles de salmuera durante un período de vida de 20 años. El radio caverna anticipada no excederá de 150 pies. El pozo se ha situado en terrenos privados y un mínimo de 2000 pies de separación de las características importantes, tales como casas, caminos, utilidades, tuberías, suministro de agua, edificios, escuelas, empresas, etc.

Agua subterránea posiblemente afectado por un derrame accidental o escape se encuentra a una profundidad de aproximadamente 40 – 80 pies debajo de nivel del suelo. Tipico agua subterránea en esta área tiene una concentración de sólidos disueltos totales de aproximadamente 400 mg/l. Según la oficina del ingeniero de estado, profundidades bien media del agua en la zona son 107 pies debajo de nivel del suelo. La instalación de la salmuera será diseñada y puede no tener contaminantes intencional de agua descargadas a la superficie o subsuperficie para la protección de las aguas subterráneas. La estación de salmuera tenfrá una pitataroma de carga de cemento para camiones y tendrá un revestimiento sintético debajo de áreas de depósitos para evitar cualquier vertido o derrame accidental de llegar a la superficie de la tierra. La salmuera bien habremos cementado carcasa y tubos cadenas para proteger las aguas subterráneas.

El propietario y operador de la instalación propuesta será:

Llano Disposal, LLC 783 Highway 483 Lovington, NM 88260

Comentarios y consultas sobre la aplicación pueden ser dirigidas a disposición Llano, LLC c/o Sr. Danny Holcomb en 806-471-5628 o por correo electrónico danny@pwllc.net . El Sr. Holcomb es consultor para proporcionar asistencia de Llano Disposal obtener los permisos reglamentarios para este proyecto.

La División de Conservación de Petroléo de Nuevo Méxicano se aceptan comentarios y declaraciones de interés respecto a esta aplicación y creará una lista de correo de instalaciones específicas para las personas que deseen recibir futuras notificaciones. Puede contactar a las personas interesadas en obtener más información, enviar comentarios o solicitar estar en una lista de correo de instalaciones específicas para futuros avisos:

> Jefe de la Oficina Ambiental División de Conservación de Petroléo de Nuevo Méxicano 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Teléfono: 505-476-3440